

# The Monroe Residences & Hotel

LASALLE STREET REIMAGINED



111 W Monroe Street

Capri 

 THE PRIME GROUP, INC.

# The Monroe Residences & Hotel

111 West Monroe ◆◆◆

- **Center** building built in 1911
  - Designed by Shepley, Ruttan and Coolidge
- **East** building built in 1958
  - Designed by Skidmore, Owings & Merrill

	<u>SF</u>	<u>Levels</u>
Retail	6,000	Ground Floor
The Monroe Hotel (228-keys)	197,700	L1 thru L12
The Monroe Residences (349 units)	291,000	L7 thru L22 (plus ground floor lobby)
The Monroe Residences - Office/Storage	28,000	L7 thru L22 (2,000 SF per floor)
The Monroe Club	18,600	L23 and Roof Decks
Parking	62,500	B1 thru B3
Total Existing Office & Retail SF to be Converted	<u>603,800</u>	



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Historic Context

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111 West Monroe



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## Prime Capri Interests, LLC (“PCI”)

PCI was formed by two seasoned Chicago real estate investors and developers, Michael W. Reschke and Quintin Primo III, both with a passion for the City of Chicago, as a result of two transformative real estate transactions that will anchor the renaissance of the LaSalle Street Historic District and Chicago Loop. In July 2022, PCI purchased the James R. Thompson Center (1,200,000 RSF) from the State of Illinois and then subsequently entered into a build-to-suit agreement with Alphabet, Inc. (“Google”) to redevelop the Thompson Center as the future Midwest headquarters for Google. PCI also purchased the former BMO Harris Bank headquarters 115 South LaSalle Street to provide a new home to many agencies of the State of Illinois moving from the Thompson Center.

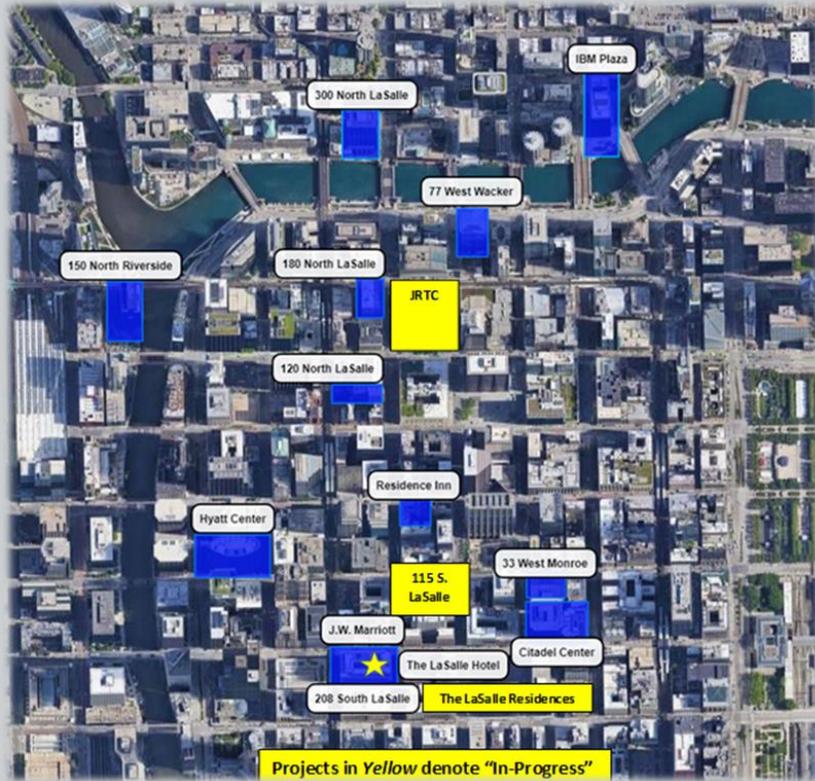


**The Prime Group, Inc.**, is a Chicago-based national real estate development and investment firm. Michael W. Reschke serves as Chairman and Chief Executive Officer of The Prime Group, Inc. and its various affiliates. Mr. Reschke founded The Prime Group, Inc. in 1982 and for the last four decades, has directed and managed the development and acquisition of over \$12.0 billion of institutional-quality real estate projects across the United States. Under the direction and leadership of Mr. Reschke, The Prime Group, Inc. and its affiliates became one of the pre-eminent real estate development companies in the country, having achieved repeated recognition for its dedication to world-class architecture, innovation, and state-of-the-art technology in all of its developments.



**Capri** has been a registered investment advisor with the U.S. Securities and Exchange Commission since its conception and founding in 1992 by Quintin E. Primo III. The company historically has provided real estate investment advisory services to pension fund and other institutional investors, primarily acquiring, investing in, asset managing, and developing commercial real estate properties in major U.S. property markets. In its 30-year history, Capri has completed more than \$14 billion in investment related transactions through separate accounts, single investor partnerships, senior and subordinate loans, and commingled funds.

# Relevant Experience of the Proposer: 111 W Monroe, LLC, an affiliate of The Prime Group, Inc. and Capri



77 West Wacker



131 South Dearborn



150 East Ontario - RIU Hotel



180 North LaSalle

## Completed to Date:

### Hotel:

J.W. Marriott - 135 W. Adams (610-keys)  
 The LaSalle Hotel - 208 S. LaSalle (232-keys)  
 Residence Inn - 11 S. LaSalle (381-keys)

### Office:

77 W. Wacker (985,000 RSF)  
 180 N. LaSalle (780,000 RSF)  
 Citadel Center (1,525,000 RSF)  
 208 S. LaSalle (210,000 RSF)  
 IMB Plaza (1,200,000 RSF)  
 33 W. Monroe (1,000,000 RSF)  
 120 N. LaSalle (Corporate Office)

### Land:

300 N. LaSalle  
 71 S. Wacker (Hyatt Center)  
 150 N. Riverside

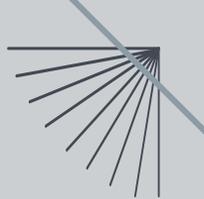
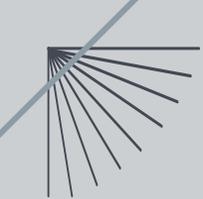
## Under Construction or Proposed:

RIU Grand Plaza - 150 E. Ontario (390 keys)  
 100 W. Randolph (Google) (1,200,000 RSF)  
 115 South LaSalle (State of IL) (650,000 RSF)  
 The Residence Inn Magnificent Mile (289-keys)  
 The Monroe Hotel & Residences - 111 West Monroe (635,000 SF)  
 The LaSalle Residences (222,500 SF)

*Hotel - New Construction*  
*Office Rehab*  
*Office Rehab*  
*Hotel Conversion/Rebranding*  
*Adaptive Reuse: Office to Apartments/Hotel*  
*Adaptive Reuse: Office to Apartments*



11 South LaSalle - Residence Inn



# The Monroe Residences & Hotel

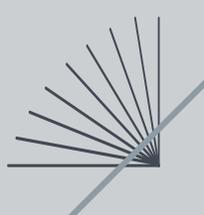
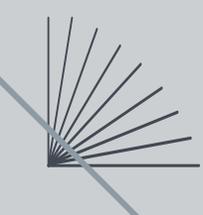
111 West Monroe ◆◆◆

## Proposer & Owner:

Prime/Capri Interests, LLC, a joint venture between MWR Holdings, LLC and Capri Interests, LLC.

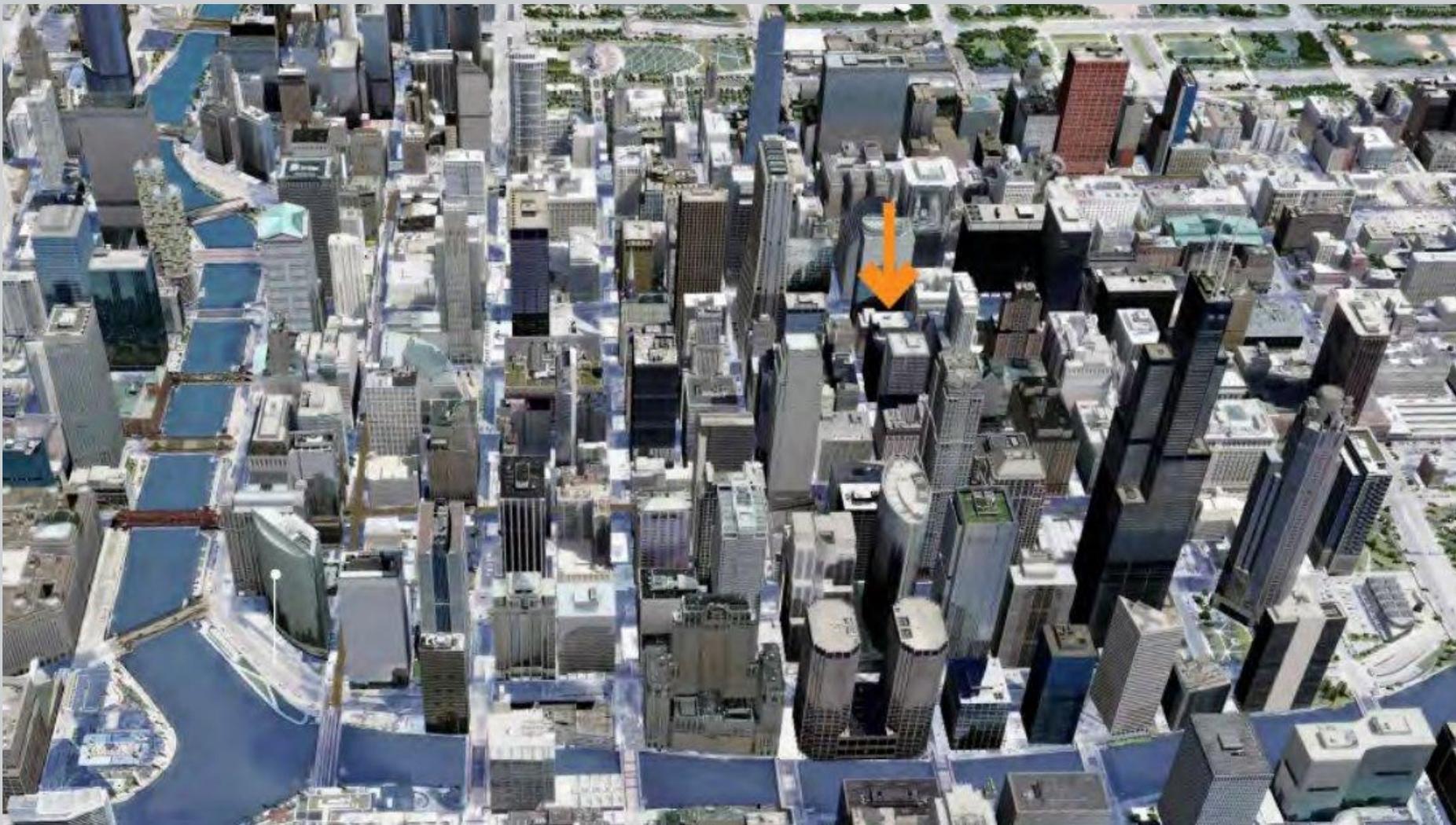
## Key Consultants:

- Stantec / Architecture
- Cosentini / MEP/FP
- Klein & Hoffman / Structural
- Level - 1 / Low Voltage
- Jenkins Huntington / Elevators
- The Heritage Group / Landmark-Historical



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**349** Apartments  
30% Affordable (105 Units)

**130** Indoor Parking Spaces

**226** Hotel Keys\*

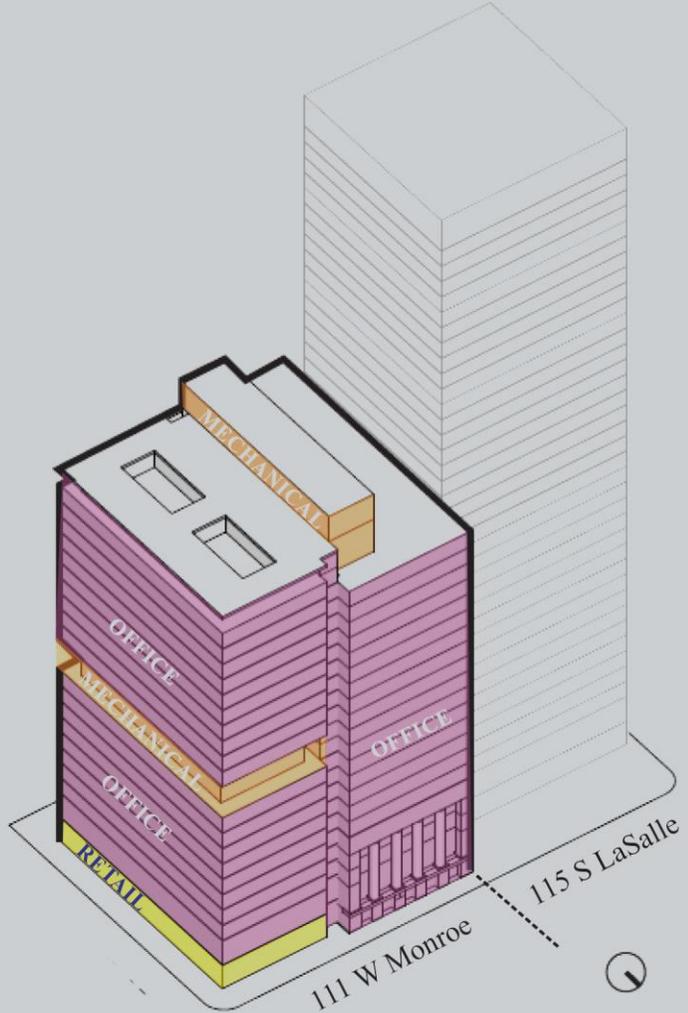
- Rooftop Pool
- Fitness Center
- Bar & Restaurant

*\*Hotel component of the Property is Not Included in the City Proposal.*

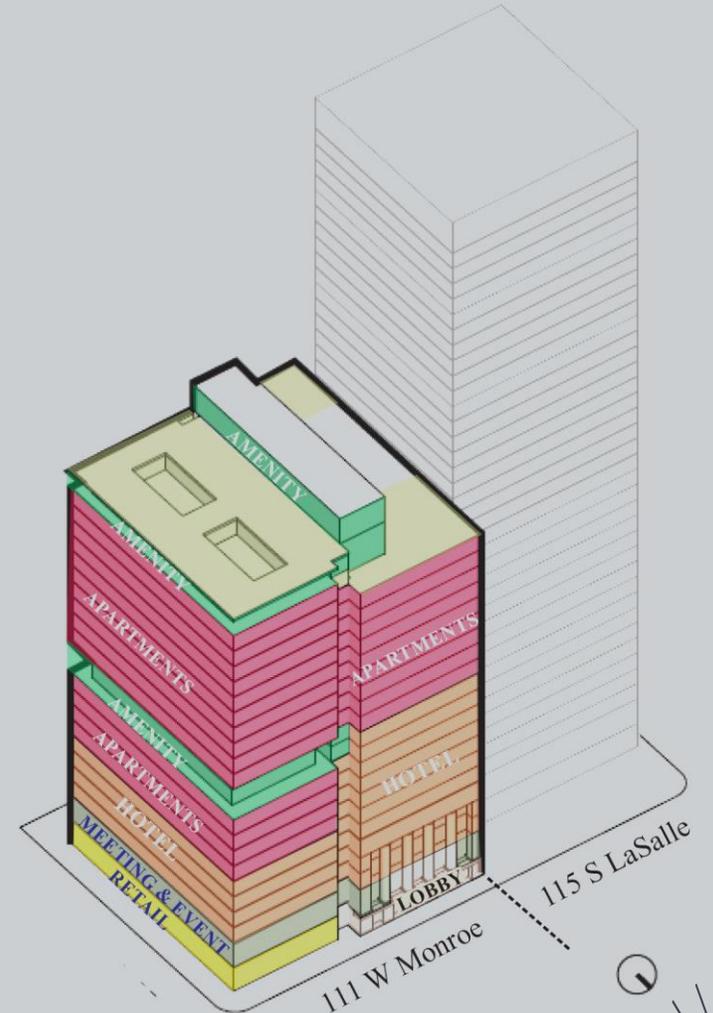


# The Monroe Residences & Hotel

111 West Monroe ♦♦♦



**CURRENT USE**



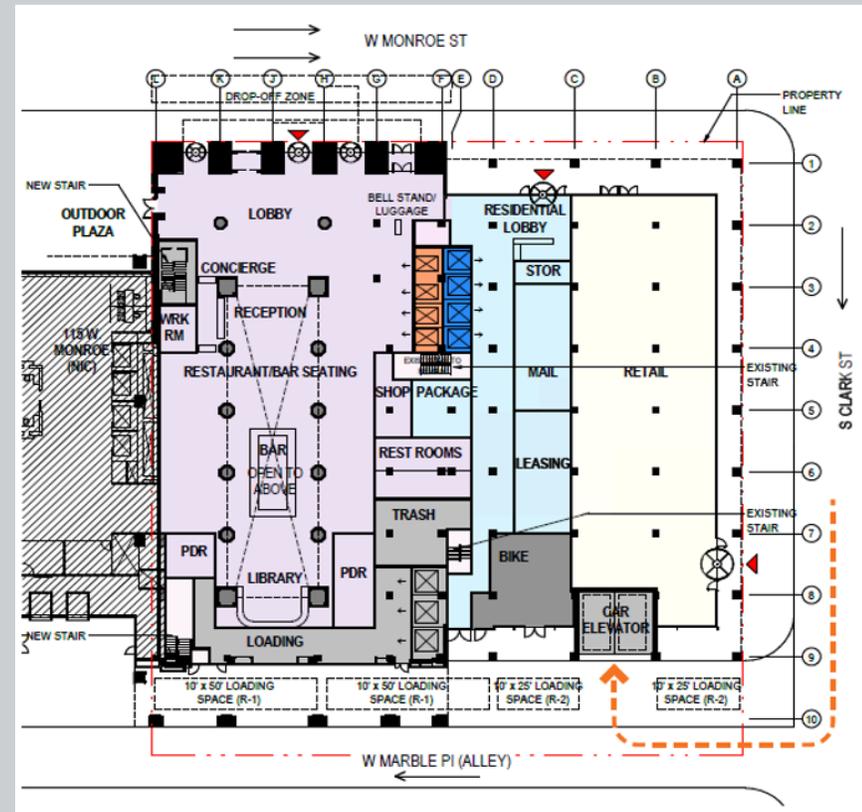
**PROPOSED USE**



Existing Conditions – Ground Floor Lobby

# The Monroe Residences & Hotel

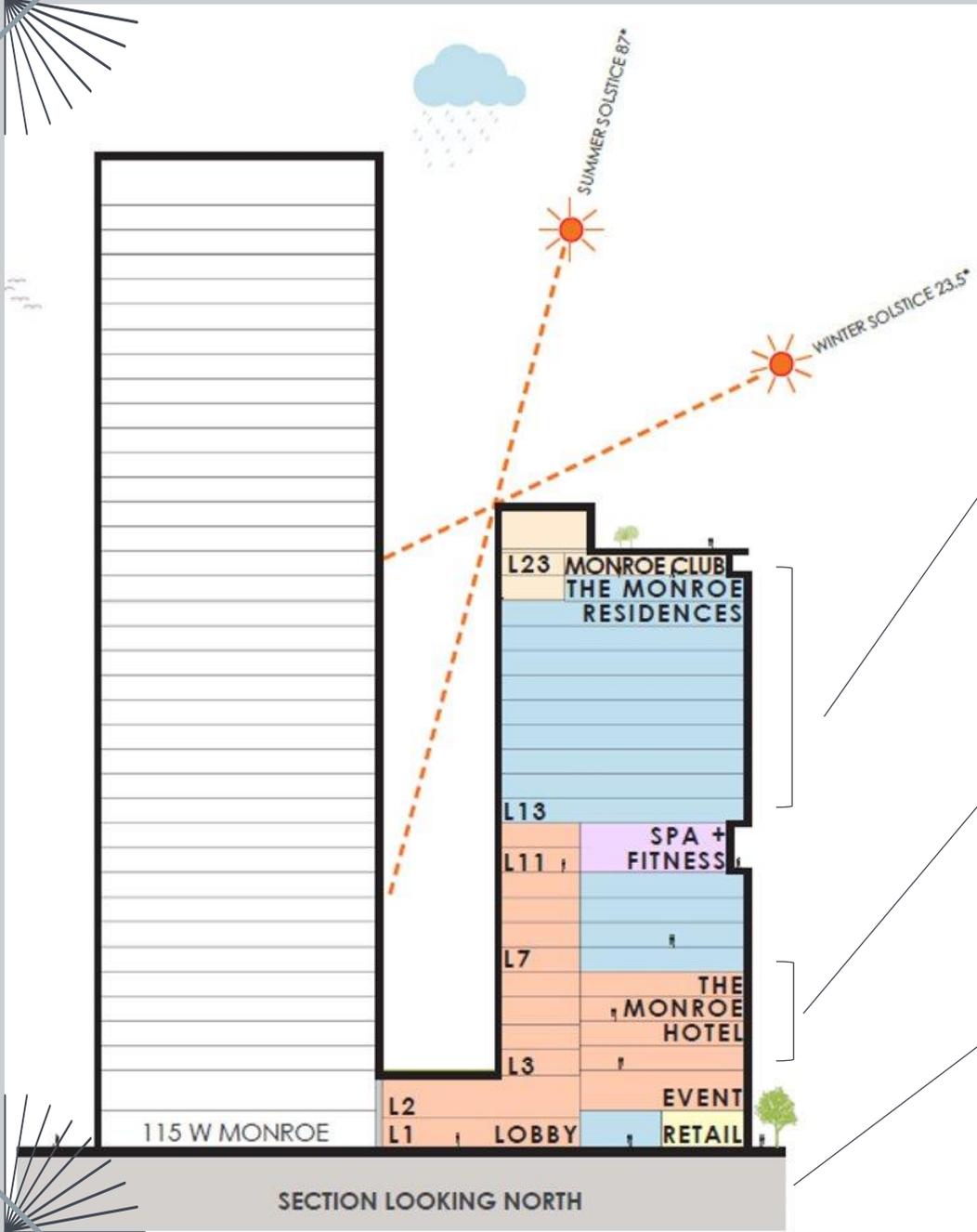
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Proposed Residential Lobby with Separate Hotel Lobby

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## Apartments

(Average of 673 SF)

- Studio: 182
- One-Bed: 125
- Two-Bed: 42
- Total: 349

**105 Affordable Units (30%)**

## Site Data

- Lot Area - 36,135 SF
- Zoning DC-16
- Base FAR - 16
- Building Height - 322'-3"
- No zoning change or PD required

## Hotel *(\*Not Included in this Proposal)*

226 Keys

## Parking

- Up to 130 spaces

# The Monroe Residences

111 West Monroe ♦♦♦

## Public Benefits

- The inclusion of 30% new affordable housing units (105 units) with average income limits of 60% of AMI.
- The preservation of 111 West Monroe, by achieving State and Federal Landmark Status of the Building, which is already a contributing building to the LaSalle Street Historic District and Orange Designated Building.
- 400+ construction jobs will provide employment opportunities for all Chicagoans and commitment to minimum 26% MBE and 6% WBE hiring.
- Over 200 permanent jobs at hotel, food and beverage, and apartment operations.
- Sustainability – the replacement of all MEP systems with modern energy efficient equipment and the replacement of the existing single-pane windows with energy efficient insulated glass.



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111 West Monroe ◆◆◆

## Future State and Municipal Tax Revenue

### Apartments

Property Taxes at Stabilization     \$    953,400

### Hotel

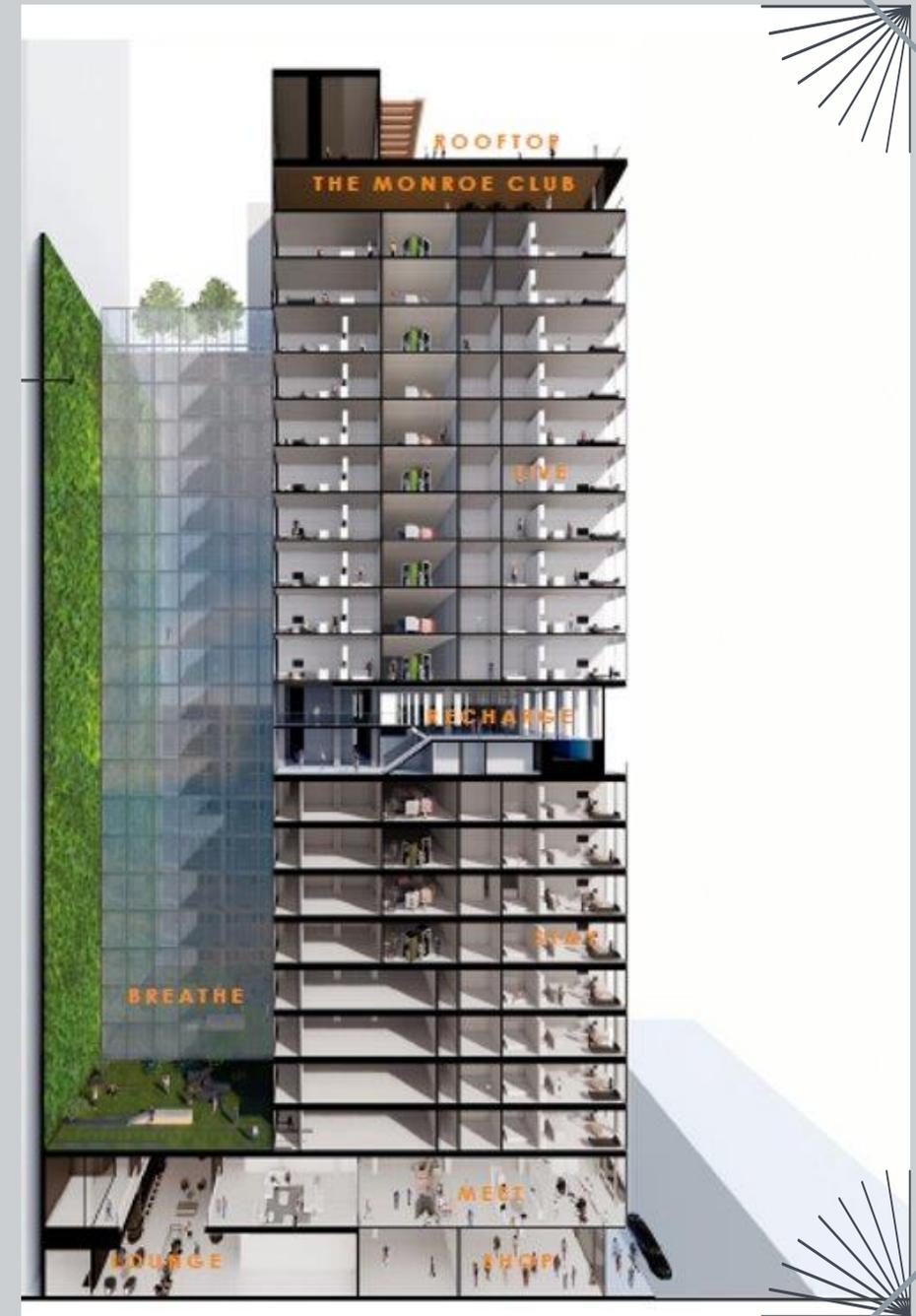
Property Taxes                                     1,140,000

Hotel Room Tax                                    3,127,800

Sales Tax     697,000

**Subtotal**     **4,964,800**

**Total**     **\$ 5,918,200**



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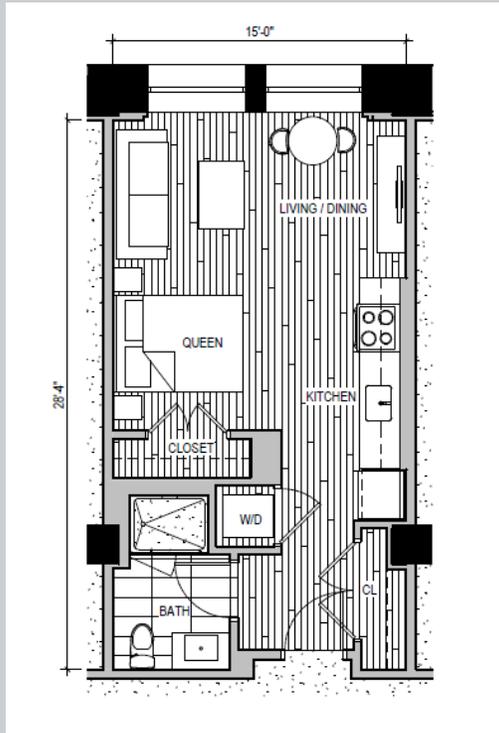
111 West Monroe ◆◆◆

	The Monroe Hotel & Club / Retail	The Monroe Residences and Parking (incl. amenities)	Total
Cost of Building	\$ 24,000,000	\$ 52,000,000	\$ 76,000,000
Demo & Permits	1,800,000	1,800,000	3,600,000
Hard Cost - The Monroe Residences (293,890 SF @ \$270.00)	-	79,350,000	79,350,000
Hard Cost - Co-Working/Storage (28,000 SF @ \$120.00)	-	3,360,000	3,360,000
Hard Cost - The Monroe Hotel (197,700 SF @ \$270.00)	53,380,000	-	53,380,000
Hard Cost - Structural Demo (80,000 GSF @ \$25.00)	1,000,000	1,000,000	2,000,000
Hard Cost - The Monroe Club (15,000 GSF @ \$280.00)	4,200,000	-	4,200,000
Hard Cost - The Monroe Club Roof Deck (3,600 GSF @ \$150.00)	540,000	-	540,000
Hard Cost - Parking (62,500 GSF @ \$150.00)	-	9,375,000	9,375,000
Hard Cost - Contingency	6,000,000	6,667,000	12,667,000
A&E Fees (3.5% of hard cost)	1,800,000	3,258,000	5,058,000
Interior Design	500,000	500,000	1,000,000
Other Consultants	200,000	300,000	500,000
Developer Fee	3,000,000	4,500,000	7,500,000
CM Fee (1.0% of hard cost)	600,000	931,000	1,531,000
Project Mgmt. & Admin. (36 mos. @ \$40,000)	600,000	864,000	1,464,000
Permits & Fees	-	-	-
Legal Fees	400,000	500,000	900,000
Tax Credits (Fees & Costs)	800,000	1,200,000	2,000,000
Financing Costs & Fees	600,000	1,500,000	2,100,000
Construction Period Interest Expense	4,000,000	7,040,000	11,040,000
Construction Period Insurance	-	300,000	300,000
Construction Period Real Estate Taxes	-	500,000	500,000
Hotel FF&E (228 @ \$32,000)	7,700,000	-	7,700,000
Tenant Improvements - Retail (6,000 RSF @ \$100.00)	600,000	-	600,000
Pre-Opening, Marketing & Models	1,200,000	1,200,000	2,400,000
Monroe Club & Apartment FF&E	500,000	1,000,000	1,500,000
General Contingency	1,580,000	2,855,000	4,435,000
<b>Total Development Cost</b>	<b>\$ 115,000,000</b>	<b>\$ 180,000,000</b>	<b>\$ 295,000,000</b>
Per Key (228) / Per Unit (349)	<b>\$ 504,386</b>	<b>\$ 515,759</b>	
Sponsor Equity	\$ 30,000,000	\$ 18,000,000	\$ 48,000,000
TIF Proceeds	-	40,000,000	40,000,000
Sale of Low-Income Housing Tax Credits	-	14,000,000	14,000,000
Sale of Historic Tax Credits	15,000,000	20,000,000	35,000,000
PACE Energy Bonds	20,000,000	-	20,000,000
Tax-Exempt Housing Bonds	-	88,000,000	88,000,000
Senior Construction Loan	50,000,000	-	50,000,000
<b>Total Capital</b>	<b>\$ 115,000,000</b>	<b>\$ 180,000,000</b>	<b>\$ 295,000,000</b>

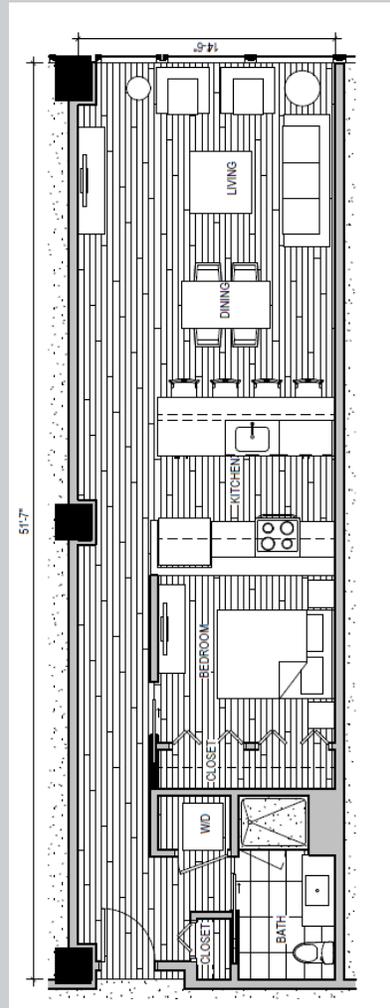


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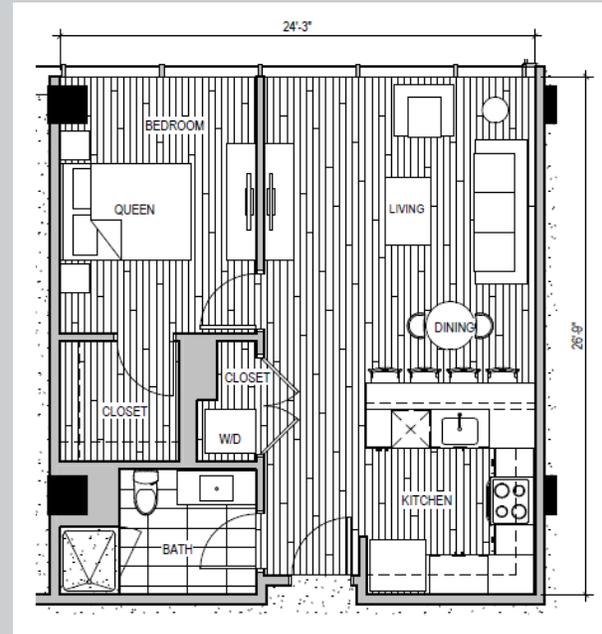
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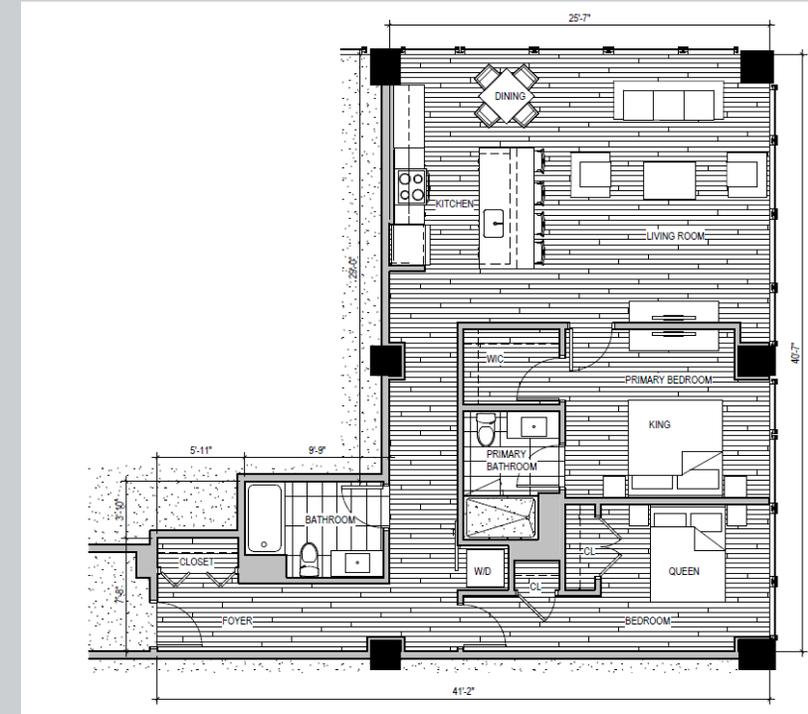
Studio (487 SF Avg.)



1 Bed - Type A (783 SF)



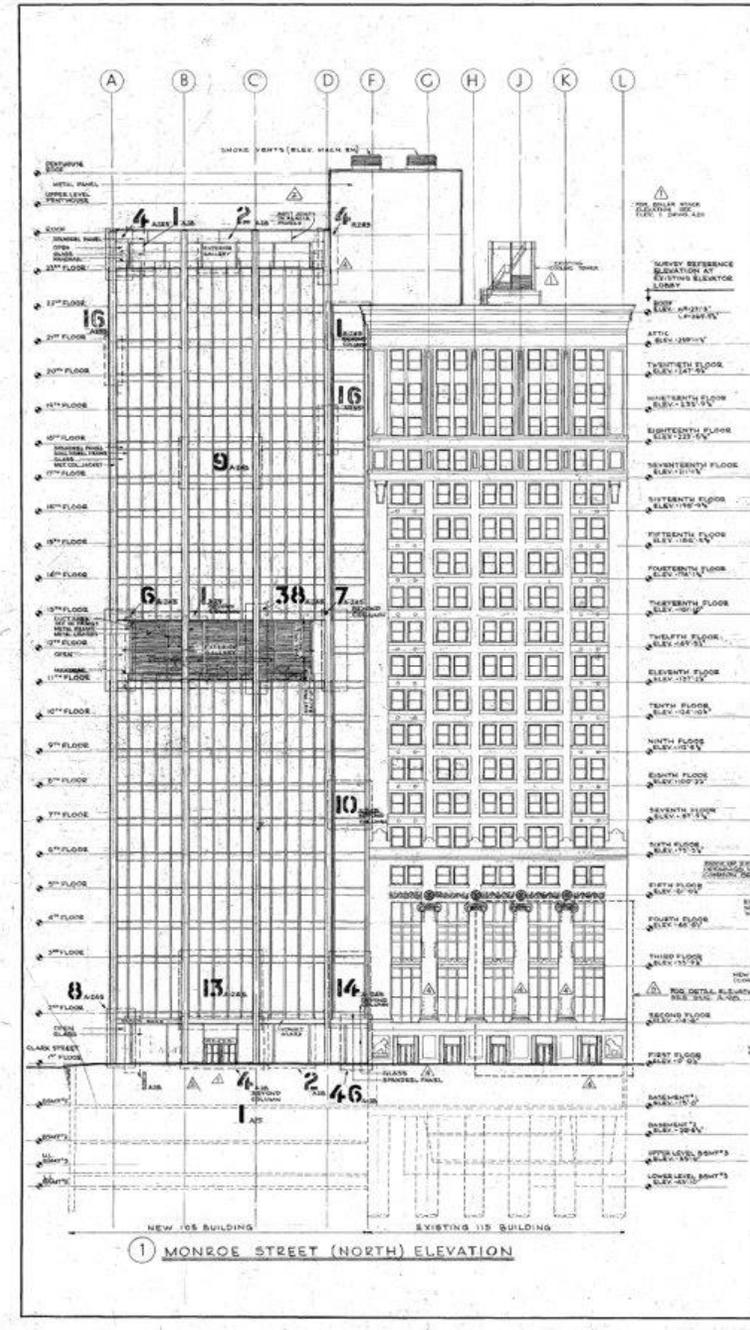
1 Bed - Type B (690 SF)



2 Bed (1,251 SF)

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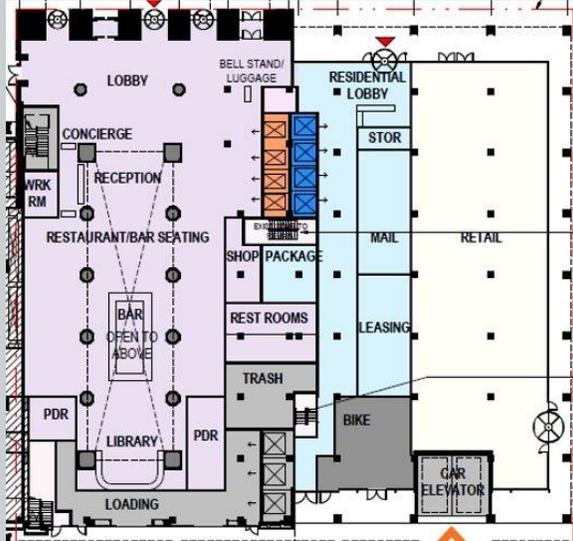
**Design & Permit**

**Construction**

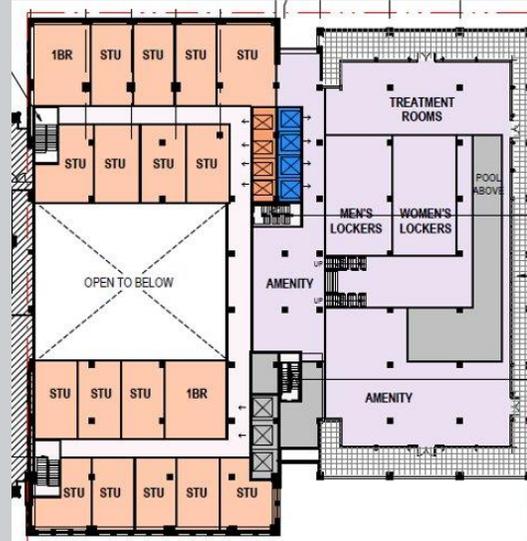
	Start	Duration	Finish
Design & Permit	3/2023	12 Months	2/2024
Construction	4/2024	26 Months	5/2026

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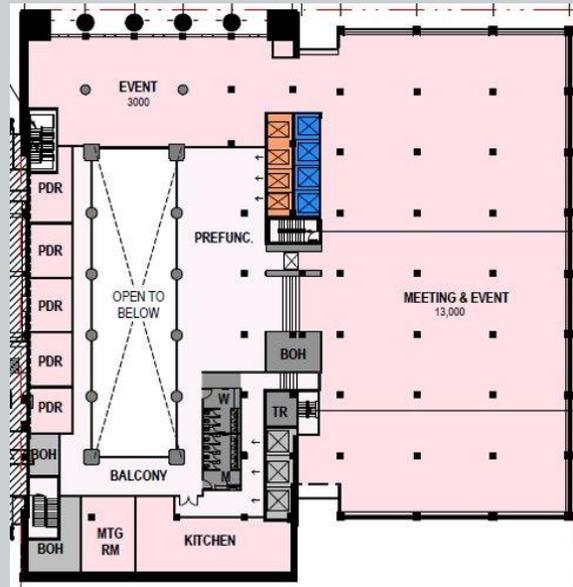
111 West Monroe ♦♦♦



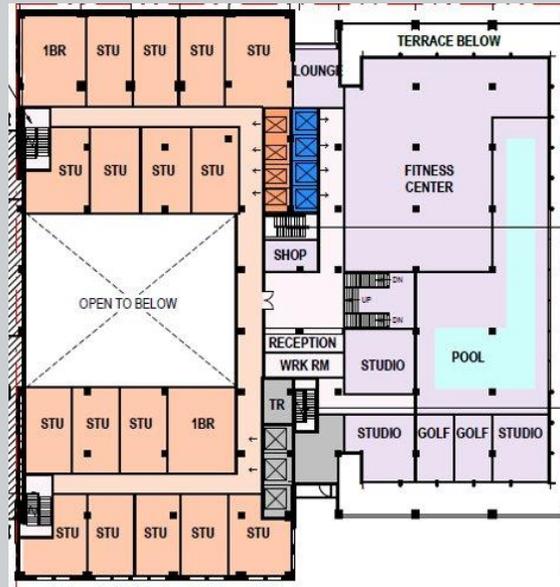
Level 1



Level 11



Level 2



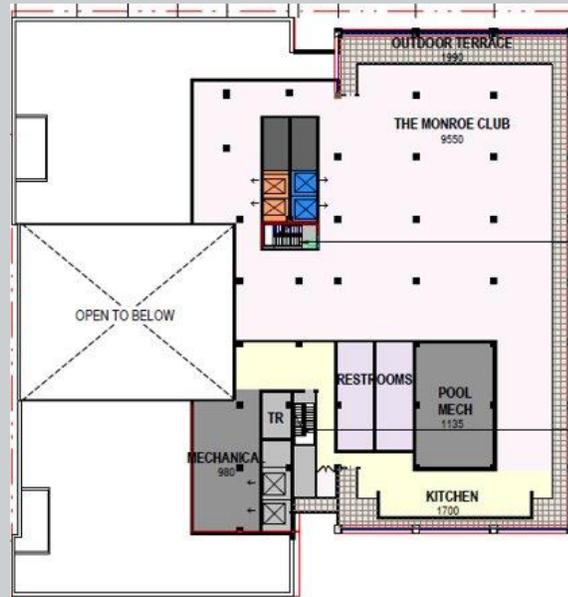
Level 12

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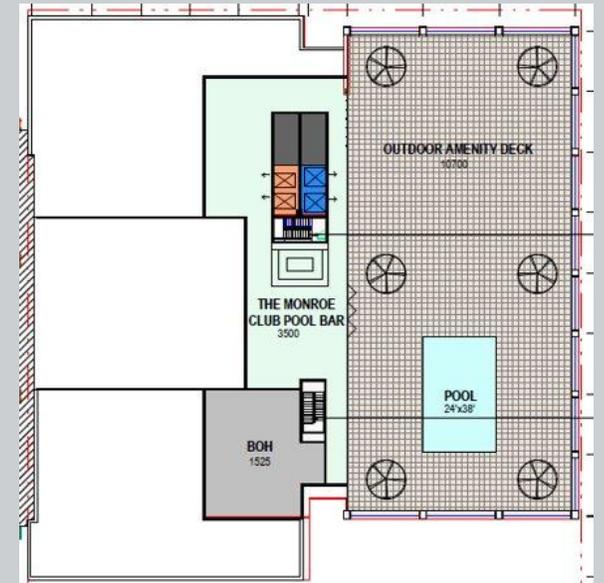
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Level 22



Level 23



Level 24