

At a crossroads

Driven by condo conversions, Rogers Park undergoes transformation

The long-awaited revival of Rogers Park could finally be at hand as new residents move to a steadily growing stock of new condominiums in the North Side neighborhood.

Biv Ramlukan and his fiancée, Fiona Mahomed, bought two new condominium units in Rogers Park—one to live in, the other as an investment. They had looked at condos in the obvious places where young professionals settle, including the South Loop. But they picked Rogers Park for much the same reason families move to far-out suburbs: more space for the money.

The couple's condo at 1761 Morse Ave. has 1,400 square feet, plus upgraded finishes such as granite countertops, marble sinks and cherry cabinets. "This place is 300 square feet bigger than anything we saw downtown," said Ramlukan, a business analyst. The unit cost \$305,000, a figure much less than he says he would have paid for a similar size place in a trendier neighborhood. "There's no Starbucks here yet," he said, figuring the coffee shop's arrival would guarantee the neighborhood's renaissance. "But hopefully that will come."

Also coming is a boost from Loyola University, a pivotal Rogers Park institution. The school plans to redevelop five parcels it owns near the Loyola "L" stop, including an unsightly building that previously housed a restaurant and now serves as the school's fine arts building.

"People have been talking about Rogers Park coming back for the last 30 years," said Bill Markle, a real estate developer with a new project in the neighborhood. "They used to talk about Bucktown and Wicker Park that way."

Situated on the lakefront adjacent to Evanston, Rogers Park has always seemed like a good real estate bet. The neighborhood, often referred to as East Rogers Park, is bounded by Ridge and Devon Avenues, the lake and the Evanston border. The neighborhood just to the west, commonly called West Rogers Park, is technically West Ridge, according to the Census Bureau.

The location and amenities in Rogers Park are big pluses, developers say.

The neighborhood is about nine miles north of downtown. The elevated and Metra train lines dissect the area. Rogers Park has many public beaches, among the most of Chicago's lakefront areas.

"If you were any place else in the city, Rogers Park would be viewed as the best neighborhood because of the beach access," says Rich Aronson, principal at Camelot Development Inc., Chicago. "With 13 public beaches, you can walk down just about any street to the beach."

Despite the obvious attractions, Rogers Park has traditionally been for renters, not homeowners. Much of the housing stock consists of small apartments built in the 1920s and 1930s, when housing was in short supply.

Many of the apartments are in large courtyard buildings—charming, but often difficult to convert into spacious condominiums. This has held developers back. And many longtime residents, often vocal, want to keep the area affordable.

The neighborhood is diverse and densely populated. It also has a reputation as a home for transients, a stereotype that's been hard to shake. At dinner time, as many as 150 people line up for a free meal at the Good News Community Kitchen at 7649 N. Paulina St.

A cook who works there and rents an apartment nearby worries about where she'll live if rents go any higher.

Rentals are converted

But gradually rental buildings in Rogers Park are being converted into condos, and new homes are being built. No one has exact numbers, but 20 years ago rental apartments comprised about 85 percent of the area's housing stock, according to Cary Steinbuck, executive director at the Rogers Park Community Council, a neighborhood improvement organization. Today about 70 percent of the housing stock is rental. "A lot of new condominiums have been built in the last three to four years," she said.

In 2003, about 600 condominiums and townhouses in the neighborhood were sold, according to developer Aronson, who also co-owns Camelot Realty of America Inc., a property broker active in the area.

Based on the current sales pace, Aronson expects a final tally of about 1,200 unit sales in 2005. He estimates that about 10 percent of the 1,200 units are in newly constructed buildings. The remainder is in older buildings that have been converted into condominiums. "There's a real appetite here for new construction," he said.

Christopher Loubisky and Jeffrey Noren bought a new three-story townhouse at 6417 N. Paulina St. "The decision was based on value," said Loubisky, who had previously lived in Evanston as well as the Chicago neighborhoods of Lakeview and River North. They paid \$349,900 for a 1,860-square-foot house that includes a two-car garage. They like the location, which Loubisky describes as a cross between a suburban retreat and urban hub. When he sits on the rooftop deck among the treetops, he feels as if he's not in the city. He added: "We can walk anywhere, and we're very close to transportation."

Nicole Thomas plans to move soon to her new two-bedroom condominium at North Beach Lofts, 1225 W. Morse Ave., about one block from the lake. She paid \$265,000 for a two-bedroom, two-bath unit that includes an indoor parking space. Her new place has 1,050 square feet.

"The location is awesome," said Thomas, owner of a Glenview photography company. Her walk to the beach will take about one minute. She'll also have an easy commute downtown.

Thomas' building, the North Beach Lofts, has 43 units. The building serves as a good example of a problem local developers face: lack of available land. The building was an old two-story commercial property built in the late 1930s, according to developer Markle, who is president of Markle Development Inc., Evanston. Markle added three floors of new condos above the old structure. He says 31 of the units are sold. The average size of the units is about 1,350 square feet.

Developer Kenneth Sproul faced a land challenge too. He built Lakeview Pointe, a big 57-unit project on Sheridan Road at the Evanston border. The project is unusual for Rogers Park because it's on a big piece of land just across from the lake. The land had been occupied by a gas station, car wash and old apartment building. It also sits adjacent to the Calvary Cemetery, a detail Sproul admits has turned off some buyers.

"The project has sold slower than we had hoped," said Sproul. He thinks his building might be a little "ahead of the market" in Rogers Park, both in terms of unit size and price. The townhomes that remain for sale have about

2,000 square feet of space, with three bedrooms, 2 1/2 baths and two parking spots. The cost is about \$465,000. A large 3,125-square-foot home in the project sold for \$859,000.

"If someone is looking for a new townhome, they're generally not looking in Rogers Park," Sproul said. "Rogers Park is known as a condo-conversion area." He thinks most buyers in Rogers Park are looking for units in the \$100,000 to \$200,000 price range.

Prices are on the upswing

Property prices in Rogers Park are on the upswing, however. Developer and property broker Aronson says prices have increased about 100 percent in the last two years. Newly constructed units now bring about \$270 a square foot. Converted units a little less.

Jordan Mann paid \$154,900 for a 700-square-foot condo in a newly rehabbed building at 1348 N. Estes Ave., about a half block from the lake and Loyola University. He looked at places in the Andersonville and Edgewater neighborhoods, but he picked the Rogers Park building because he got more space for the money. He also likes the area's eclectic nature. "There are people here who were walking in peace marches 40 years ago, along with hip-hop kids and Hare Krishnas," he said. He's also glad an effort is under way to revitalize the neighborhood.

A big boost should come from Loyola University, which plans to spearhead the redevelopment of 5.4 acres it owns on the west side of Sheridan Road near the Loyola "L" stop. The properties will not be redeveloped for the school, but to provide more housing and retail stores for the neighborhood, according to Michael R. Haney, president at Newcastle Limited, the Chicago-based advisory firm Loyola hired to handle the project.

"The plan is to restore the vibrancy of the neighborhood," Haney said.

Dubbed Loyola Station, the project will be built in phases. Though project details have yet to be finalized, the proposed development would have about 700,000 square feet of space, with about 400 residential units and 40,000 square feet of commercial space. The first phase includes the redevelopment of a parcel just south of the Loyola El station on Sheridan Road at Arthur Avenue. Developers have been asked to submit proposals for the parcel, the site of the school's fine arts building, which still looks much like the Denny's restaurant it once was.

Newcastle's Haney is quick to point out that Loyola Station is being planned with input from the community. "It's important that the development contribute to the neighborhood in a positive way."

But change is hard. Longtime residents fear they will be

pushed out by rising property values and rents. New property owners want fast improvements. "I'd like them to clean up and redevelop the main streets," said condo owner Ramlukan. "Those old businesses are going nowhere."

He's confident things are moving in his direction as he points out a number of teardowns near his new condo. The second condo he bought as an investment is performing well too, he said.

Ramlukan has it rented to three people who share the 1,500-square-foot unit. He has had no trouble finding renters who were happy to get a big new place at a relatively low price. Ramlukan charges two of his renters \$625 a month. The third, who has the big master suite, pays \$750 a month. "This neighborhood will do well," he said.