

550

WASHINGTON

WEST LOOP - CHICAGO, IL



EXECUTIVE SUMMARY

Jones Lang LaSalle (Illinois), L.P. (“JLL”) as the exclusive advisor, presents the opportunity to acquire the 100% fee simple interest in 550 West Washington (the “Property”), a 372,596 RSF, 16-story class-A office building located in Chicago’s West Loop. Constructed in 2000, 550 West Washington benefits from superior connectivity and accessibility given its prime West Loop location that puts it one block from Ogilvie Transportation Center and Union Station, the major commuter train stations linking the city to surrounding suburbs.

At 31% leased with 2.9 years of remaining average lease term (“WALT”),⁽²⁾ the Property provides an investor the opportunity to substantially increase NOI through the lease up and strategic repositioning of a nearly unencumbered boutique office asset. The Property contains the only contiguous block of vacancy exceeding 200,000 RSF amongst buildings constructed post-2000 in the West Loop submarket. Paired with its flexible 24,500 RSF floor plates, the Property is well positioned to capture tenants of all size requirements in the market. All inquiries regarding this value-add office asset should be directed to JLL.

KEY PROPERTY STATISTICS

Address	550 W Washington Blvd
City, State, Zip	Chicago, IL 60661
Rentable Area	372,596 RSF
Construction	2000
Stories	16
Average Floor Plate	24,544 RSF
Slab-to-Slab Height	13'-0" on floors 2-15, 14'-6" on 16th floor
Finished Ceiling Height	9'-0" on floors 2-15, 10'-0" on 16th floor
Parking Spaces	26 spaces including 4 EV charging stations
Occupancy	31%
% Leased (Less Vacates & S.C. Johnson & Son)⁽¹⁾	11%
WALT	2.9 Years
Zoning	PD 694

(1) % Leased excludes S.C. Johnson & Son 73,592 RSF, (Lease Expiration: November 30, 2025); S.C. Johnson & Son has not yet indicated their intentions to renew or vacate.

(2) As of May 1, 2024





Rare Large, West Loop Contiguous Block Positioned to Capture Active Tenancy

The Property contains the only contiguous block of vacancy exceeding 200,000 RSF amongst buildings constructed post-2000 in the West Loop submarket.

Significant opportunity exists to lease up 237,000 square feet of contiguous vacancy on floors 2-12.

The ability to offer meaningful exterior signage, identity and naming rights will further augment the repositioning effort and serve as an inducement that few other properties in the city can offer.

Paired with its flexible 24,500 RSF floor plates, the Property is well positioned to capture tenants of all size requirements in the market.

CURRENT EXISTING CONTIGUOUS BLOCKS OF VACANCY AMONGST POST-2000 CONSTRUCTION BUILDINGS IN WEST LOOP > 100,000 RSF

ADDRESS	YEAR BUILT	MAX CONTIGUOUS SPACE
550 W Washington St	2000	237K
540 W Madison St	2003	167K
320 S Canal St	2022	116K
155 N Wacker Dr	2009	112K
191 N Wacker Dr	2003	104K



**ONLY CONTIGUOUS BLOCK OF VACANCY AMONGST OFFICE BUILDINGS
CONSTRUCTED POST-2000 IN WEST LOOP > 200,000 RSF**

FLOOR

16	VACANT		
15	SC JOHNSON		
14	SC JOHNSON		
13	SC JOHNSON		
12	VACANT		
11	VACANT		
10	VACANT		
9	VACANT		EXISTING AMENITIES/OTHER
8	VACANT		
7	MANDARICH	VACANT	
6	VACANT		
5	VACANT	EXISTING AMENITIES/OTHER	
4	SEGAL ADVISORS, INC.		VACANT
3	VACANT		
2	VACANT		
1	VACANT RETAIL	LOBBY	VACANT RETAIL

237,000 RSF
CONTIGUOUS
VACANCY ON
FLOORS 2-12

Nearly Unencumbered Asset Represents Blank Canvas for Investor

At 31% leased⁽¹⁾, the Property represents a blank canvas to reimagine however an investor sees fit.

The Property's long history of institutional ownership ensures the building has been the beneficiary of a thorough operational and capital maintenance program; this will limit future owners' capital requirements allowing them to allocate capital towards their strategic repositioning.

(1) At 31% leased (as of May 1, 2024), the % leased drops to 11% when excluding known vacates and S.C. Johnson & Son's near-term expiration on November 30, 2025; S.C. Johnson & Son (73,592 RSF) has not yet indicated their intention to renew or vacate.

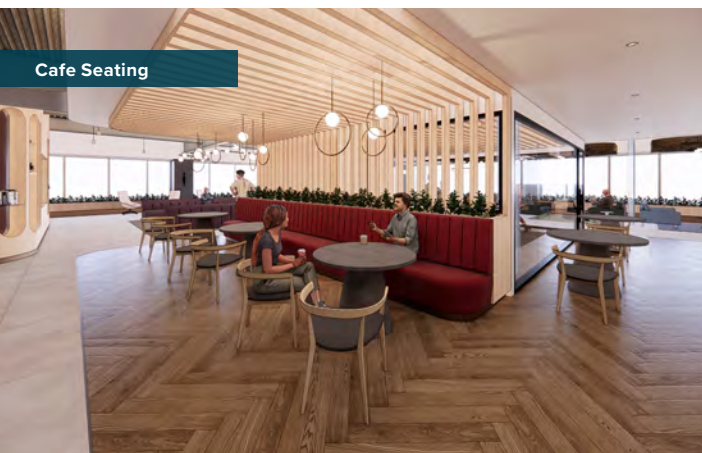
PROPOSED TRANSFORMATIVE AMENITY RENOVATIONS

A future investor would have the opportunity to implement transformative amenities desired by today's most discerning tenants seeking high quality office environments.

Current ownership engaged with Wright Heerema Architects and envisioned a transformative amenity renovation, inclusive of a coffee bar, café seating, gaming area and tenant lounge.



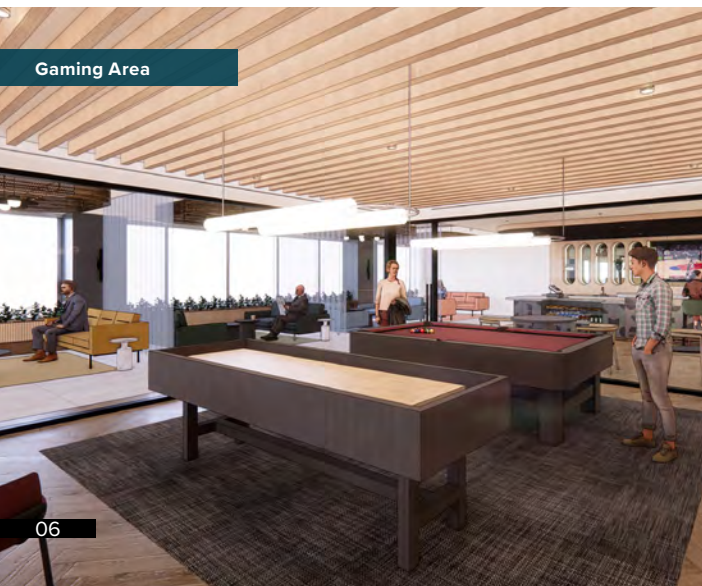
The 16th floor penthouse's 14'-6" slab-to-slab height and large glass windows allow for 360-degree views and natural light making it an ideal location for tenant amenities.



Cafe Seating



Barista Bar



Gaming Area



Corner Lounge

EXISTING TROPHY DESIGN & UNRIVALED LOCATION ALLOW FOR RESIDENTIAL ADAPTIVE REUSE PROJECT

Potential investors are only limited by their creativity with maximum optionality regarding the Property's future uses.

Ownership engaged Gensler to conduct a preliminary study to assess the suitability of 550 West Washington for conversion to residential.

The study's compatibility rankings suggest that 550 West Washington is potentially suitable for a future investor to convert to residential.

Currently zoned PD 694, the Property would need to be rezoned should a future investor decide to pursue a multi-housing adaptive reuse project.

Gensler

OFFICE TO RESIDENTIAL CONVERSION SCORING CRITERIA



Walkability
Transit
Natural light
View obstruction
Allows for south facing windows



Shape of building
How easy is it to plan units?



Window to core distance
Existing # of elevators



Existing window to wall ratio
Ease of window replacement

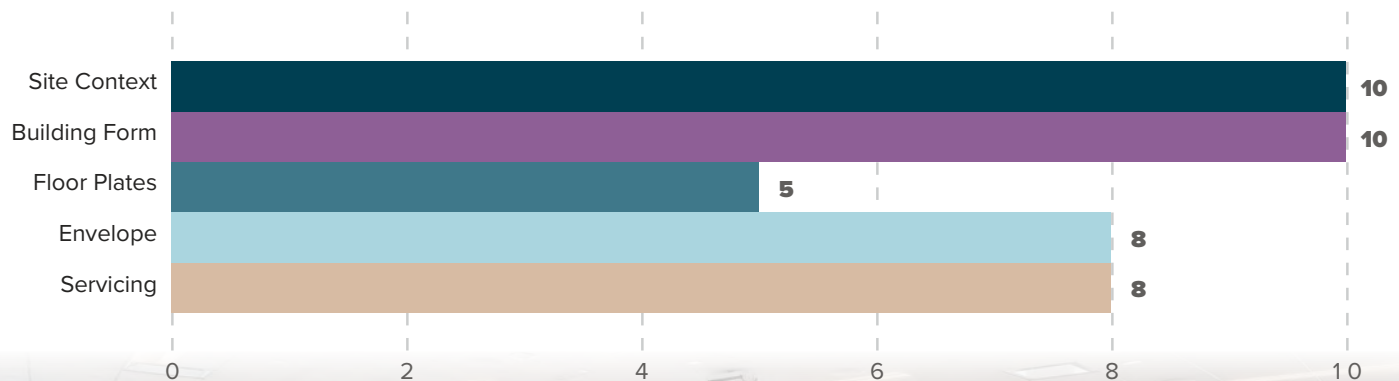


Loading
Parking
Structure
MEP

388
**ESTIMATED TOTAL
NUMBER OF UNITS⁽¹⁾**

⁽¹⁾ Assumes 70% efficiency ratio.

550 WEST WASHINGTON'S RANKED COMPATIBILITY FOR OFFICE TO RESIDENTIAL CONVERSION



Unrivaed Transit-Oriented Location

Constructed in 2000, 550 West Washington benefits from superior connectivity and accessibility given its prime West Loop location that puts it one block from Ogilvie Transportation Center and Union Station, the major commuter train stations linking the city to surrounding suburbs.



550 WEST WASHINGTON IS LOCATED BLOCKS AWAY FROM THE FULTON MARKET DISTRICT, WHICH IS THE MOST IN DEMAND SUBMARKET IN CHICAGO FOR RESIDENTIAL AND HOSPITALITY.

Randolph Street / Restaurant Row

FULTON MARKET DISTRICT
PERFECT LOCATION FOR COCKTAILS & CUISINE

ELIZABETH ST

RACINE AVE

MAY ST

ABERDEEN ST

CARPENTER ST

MORGAN ST

SANGAMON ST

MONROE ST

ADAMS ST

JACKSON BLVD

VAN BUREN ST

GREEN ST

HALSTED ST

WASHINGTON ST

MADISON ST

MONROE ST

ADAMS ST

UNION STATION

JACKSON BLVD

VAN BUREN ST

Restaurants Per Capita (1k people)	
Downtown Austin	29
Wynwood - Miami	29
Fulton Market - Chicago	26
Seaport - Boston	15
RiNo - Denver	12
South End - Charlotte	6
Brooklyn - NYC	2

550
WASHINGTON

1 MIN
Walk to Clinton CTA Station

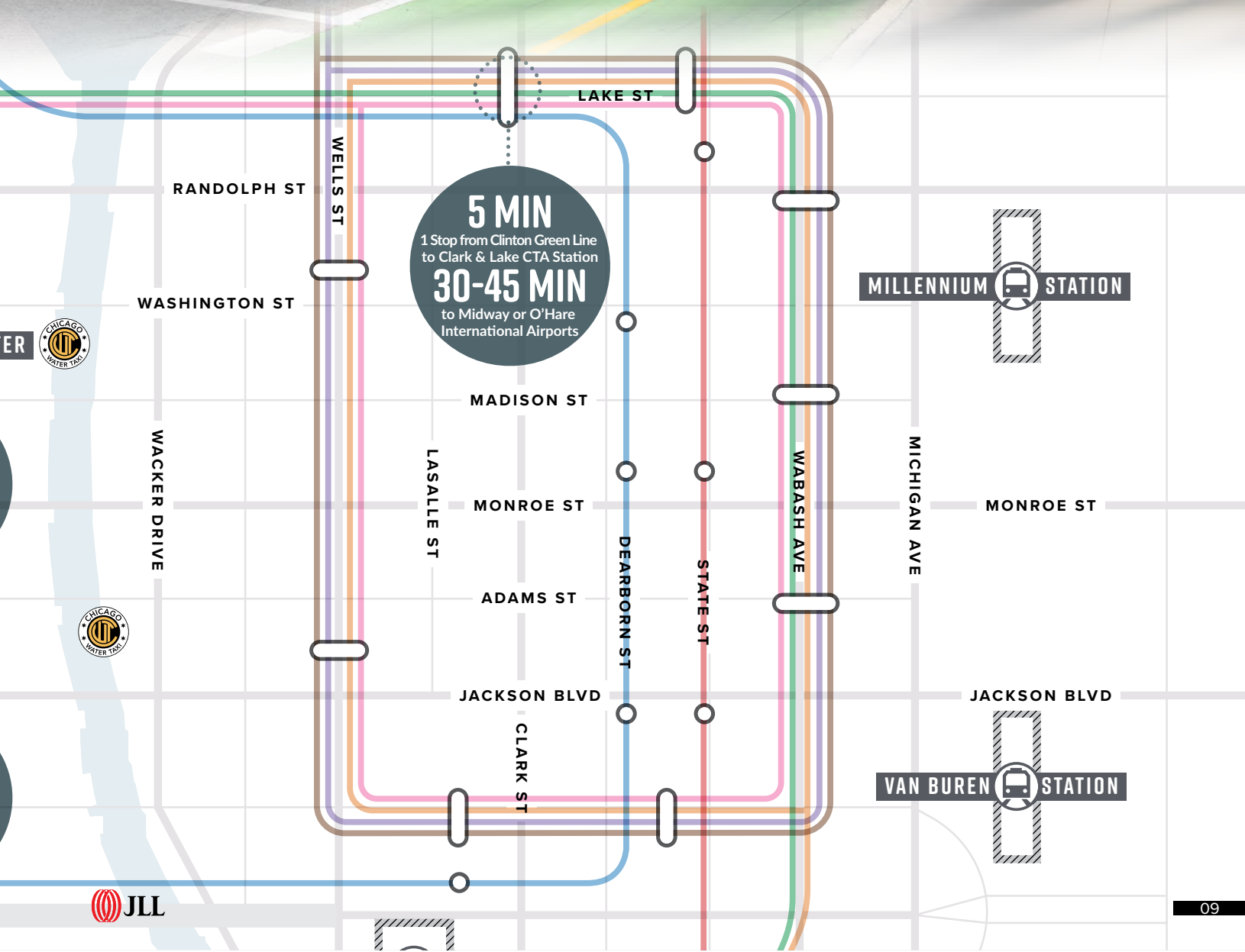
3 MIN
Drive To



OGILVIE TRANSPORTATION CENTER

1 MIN
Walk to Ogilvie Transportation Center
Metra

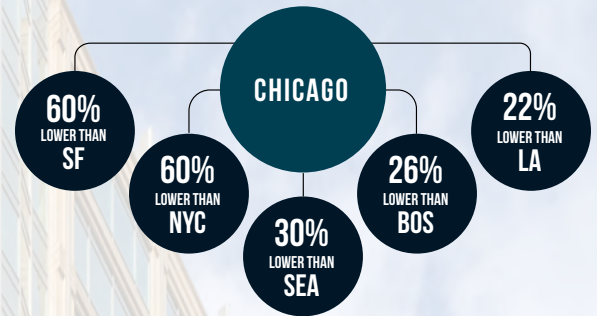
3 MIN
Walk to Union Station
Metra



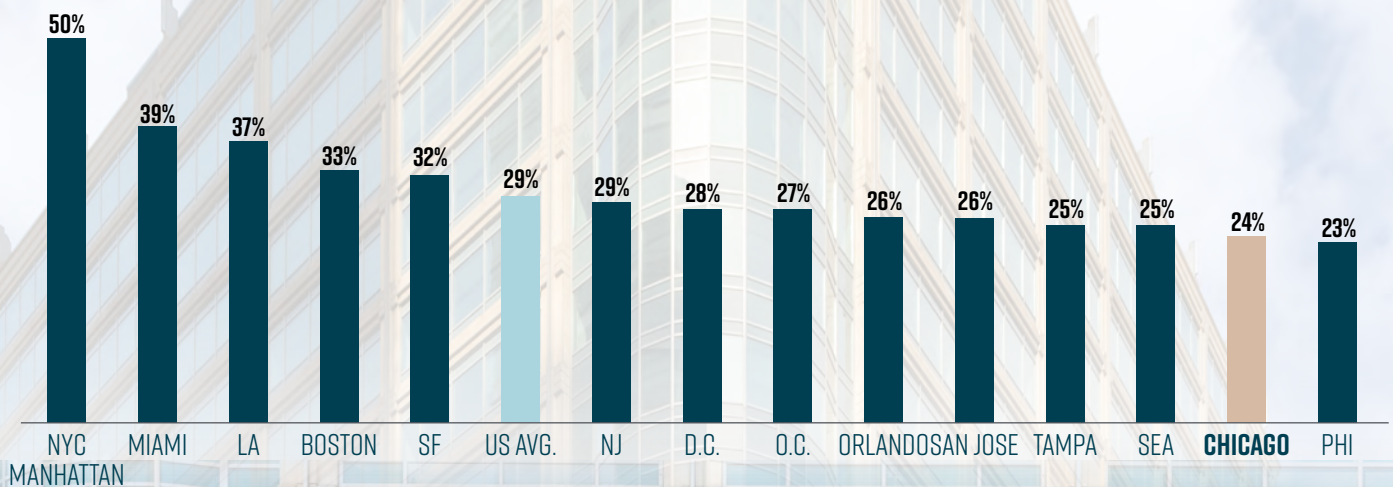
WHY CHICAGO?

CHICAGO ATTRACTS AND RETAINS RESIDENTS DUE TO ITS **LOW COST OF LIVING**

Rent as a percentage of income is 5% lower in Chicago than the national average and the cost of living is significantly lower than peer cities.



RENT AS A PERCENTAGE OF HHI IS MORE AFFORDABLE IN CHICAGO COMPARED TO SOME OF THE LARGEST AND MOST SOUGHT AFTER CITIES IN THE NATION



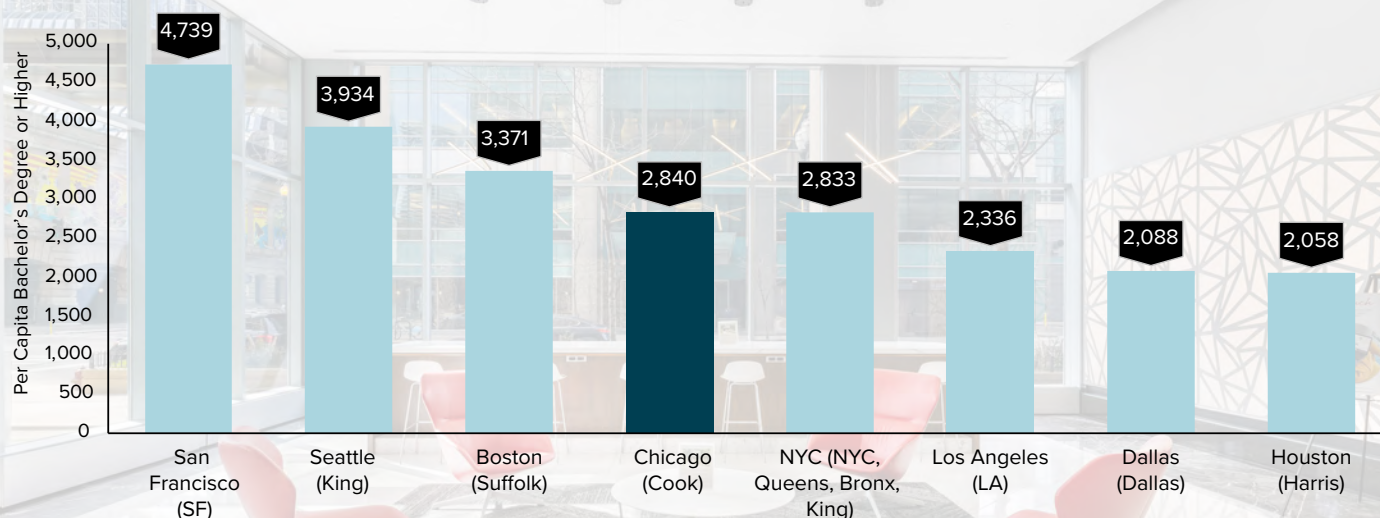
CHICAGO'S TALENT POOL IS UNRIVALED

Per capita (per 10,000 people) population with a Bachelor's degree or higher by city county

Chicago Urban Core Population with a Bachelor's Degree or Higher

68%
POPULATION WITH A
BACHELOR'S OR HIGHER

34%
10-YEAR
GROWTH



#1 DESTINATION
For Midwest grads in
engineering, business
and computer science

3
Of the top
Engineering Schools

2 OF THE TOP 3 MBA
programs in the world

2 OF THE TOP 10
Law Schools programs
in the nation

24,555 STEM
Degrees awarded in
Illinois in 2020

Chicago Multi-Housing is Outpacing Other Major Markets

Under Construction as a % of Inventory

Austin	10.4%
Charlotte	8.8%
Denver	7.2%
Miami	4.0%
Boston	2.1%
New York City	1.3%
Chicago	1.1%

Sources: Axiometrics, CoStar & ESRI

2023 YoY Effective Rent Growth

Chicago	3.6%
Boston	3.1%
New York City	1.5%
Miami	1.1%
Denver	0.9%
Charlotte	-2.4%
Austin	-5.9%

Strong Average Occupancy

New York City	97.1%
Boston	95.4%
Miami	95.3%
Chicago	95.0%
Downtown Austin	93.9%
Charlotte	93.0%
Austin	92.6%

**WITHIN 1-MILE OF
550 WEST WASHINGTON**

\$193,000

AVERAGE HOUSEHOLD INCOME

34

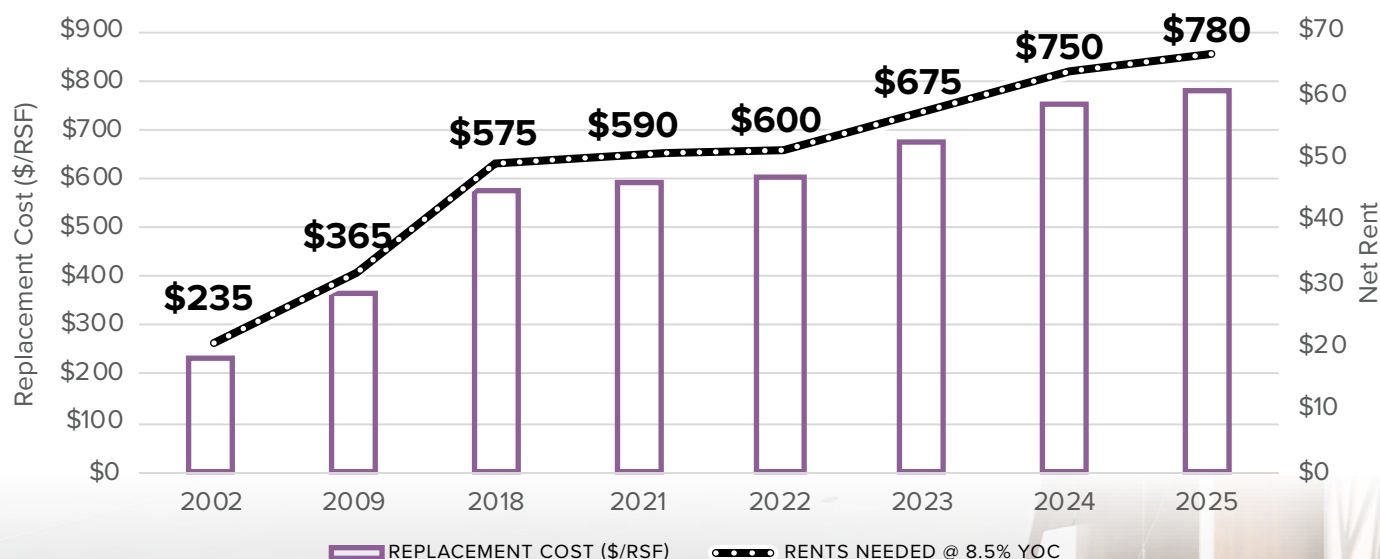
AVERAGE AGE

Source: ESRI, US Census



Opportunity to Acquire Asset at Substantial Discount to Replacement Cost

550 West Washington represents an exceptional opportunity to acquire a modern, Class-A office asset at a significant discount to replacement cost in an irreplaceable Chicago CBD location. Due to the dearth of available land sites and the rising cost of construction, the replacement cost of a similarly located asset would be more than \$750 per square foot. New development costs would imply net rental rates of approximately \$64 Net per rentable square foot.





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