

Talk about an ugly duckling story. How did Streeterville, a peninsula of silt at the mouth of the Chicago River, evolve into a premiere professional, nightlife and – yes – tanning destination?

Streeterville



WELCOME TO THE NEIGHBORHOOD

Streerville

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Photos by Kali Loader of the Chicago Association of REALTORS®

Bounded by Lake Michigan to the east, Michigan Avenue to the west, Oak Street north and the Chicago River, Streerville is named for George Wellington Streeter (1837–1921), by most accounts a brazen huckster who claimed that his small ship, grounded in sand and silt where the river meets Lake Michigan, had created that land, and made it rightfully his. After years of legal tussle and publicity, in 1918 the court ruled against Streeter.

Streerville grew, along with a vigorous economy, after the city opened the Michigan Avenue Bridge across the river in 1921. Developers that decade built luxury hotels and high-rise residences in what is now the East Lake Shore Drive Historic District, using classical architectural styles that redefined the city's skyline.

The area boomed again after World War II and in the 1950s. Many of its renowned medical and educational facilities were realized in the past 20 years, and today Streerville is the proposed home of Spanish architect Santiago Calatrava's Chicago Spire, which would be the tallest building in North America.

Streerville Today

Streerville's history explains its geography and to some degree its eclectic mix of building purposes and styles. Yet it cannot fully account for the area's allure that draws Chicagoans and tourists to its cool strip of relative calm off Lake Shore Drive.

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Streeterville



The 150 ft.-high Ferris wheel at Navy Pier.



The famous Gino's East.



680 N. Lake Shore Dr.



Streeterville meeting spots abound.

“People want to be here and they’re willing to pay a higher price for it. In Chicago, this is the spot,” says Grigory Pekarsky, Associated Broker, Vesta Preferred, a Streeterville rental specialist.

Gail Spreen, Broker/Owner, Streeterville Properties, and longtime neighborhood resident attests: “Streeterville has great energy. People come from all over the world and there’s truly an international flavor you don’t get in many places in any city. We have a sophisticated, interesting and well-educated community.”

Streeterville is divisible into three general areas:

Old Streeterville, north of Pearson, where vintage mid-rises mix with older co-op and condo buildings;

An institutional mid-section, peppered by prestigious hospitals and graduate schools, including Northwestern Memorial Hospital, Prentice Women’s Hospital, the Rehabilitation Institute of Chicago and Northwestern University’s medical and law schools;

South Streeterville, where development has steadily risen since the Chicago Dock & Canal Trust sold its land holdings in 1997.

Streeterville destinations include the Museum of Contemporary Art, Water Tower Place Mall, the Drake and Ritz-Carlton hotels, Lookingglass Theater Company and the Chicago Shakespeare Theater at Navy Pier.

Navy Pier itself is something of a wonder. The Midwest’s number-one tourist attraction, Navy Pier annually attracts more than 8.6 million visitors.

Hark! Who Lives There?

Initially, people bought in Streeterville with the goal of living closer to their offices, schools, downtown and the lake front. That tenor changed when investors arrived in the late 1990s, says Spreen, drawn by the lucrative promise they saw in new construction after the 1997 land holding shift.

“Investors saw they could put money down, rent their units and see excellent appreciation,” she says. “If they didn’t cover all their expenses at first it didn’t matter, because appreciation made up for it.”

Today, Spreen identifies two trends she sees propelling many of her buyers:

- A desire to live closer to work and downtown, seen among buyers who are already Chicago residents living in areas like Lakeview and Lincoln Park, from which they commute by CTA;
- An interest in enjoying urban amenities while still feeling a relative sense of tranquility, seen among empty-nesters and suburban dwellers who come to Streeterville to purchase a second home.

“It’s so much fun to watch couples who purchased second homes come downtown for weekends,” Spreen says. “They stop by my office to say hi, as happy as kids on vacation. They leave their worries and their cars behind and have a ball, enjoying the nightlife and everything else the neighborhood and city have to offer.”

Another trend is a new wave of buyers who couldn’t previously afford the area but have found it within reach with today’s lower home prices and the home buyers tax credit, says Liane Pruchnik, REALTOR® with Prudential Rubloff Properties.

“That’s a recent development,” says Pruchnik, who’s worked in Streeterville since 2003. “Much of the product here is new and expensive. So much came onto the market at the same time that some older, more established buildings struggled to compete, especially those in need of updates. Now, prices in those buildings are low enough that buyers realize they can afford to get into the neighborhood if they’re willing to do a little work. That wasn’t do-able, before.”

Pruchnik cites several benefits of living in older buildings.

“Prices are considerably lower and the units are larger,” she says. “These buildings are the perfect entry for buyers who don’t require a move in-ready product. New owners can do the work immediately or over time, depending on their situation. To some buyers, the extra work doesn’t matter. They know the Golden Rule remains the same: it’s all about location, location, location.”

Streeterville



Early Chicago mansions.



Cultural richness.



Iconic fine dining.



Sayat-Nova on Ohio.

Rental Outlook

Streeterville's rental outlook is steady, strong and consistently pricey. In fact, demand may be even higher than it has been, says Grigory Pekarsky, because some people are more confident owing rent than a mortgage in a down economy.

"Even if their knowledge is just hearsay, my clients think it's safer to rent right now than buy. They don't want a lasting commitment. They want a lease."

Furthermore, Pekarsky's clients generally don't want the hardwood floors, crown molding and other interior architectural features often sought by buyers.

"They want to have fun living here and are willing to pay full freight for a high-end rental experience that can include utilities, cable hook-up and an array of luxuries like pools, sun decks, basketball half-courts, gyms and spas," he says.

Even though monthly fees can be significantly higher than if renters paid for utilities and amenities on their own, they generally don't blink at the costs. Renters want the total package, Pekarsky says, adding, "especially in the high season, March through September, apartments go very quickly and deals are gone within 24 hours."

And the Price Is...

For rentals, Pekarsky terms Streeterville "a landlord's market." Renters can expect to pay about: \$1,250 monthly for a studio; \$1,100-\$2,000 for a one-bedroom; \$1,650-upwards of \$3,000 for a two-bedroom.

The number of medical students and academics in the area keeps turnover high and demand strong.

For buyers costs are also high, though Streeterville's average home sale price dropped 14.5 percent from 2008 to 2009, according to a market report by Vikas Wadhwa, Founder / Broker Associate, Streeterville Homes, a division of Urban Living Properties.

A total of 409 neighborhood homes sold in 2009, compared to 724 in 2008. The market report reflects these buying costs: Studios averaging \$185,252 in 2009, \$204,725 in 2008, and \$254,400 in 2007; One-bedrooms averaging

\$328,603 in 2009, \$380,932 in 2008, and \$326,718 in 2007; Three-bedrooms averaging \$1,082,607 in 2009, \$1,311,988 in 2008, and \$1,445,703 in 2007.

"I haven't seen a significant effect of the economy on values or demand," echoes Spreen. "I'd say that 10 percent is the most I've seen values drop but for the most part prices have stayed flat. It really depends on the features and views of the property. The great location has insulated Streeterville from some of the economy's negative effects."

New restaurants and other businesses continue to arrive, she says.

Kimberly Quintana, Broker Associate, Koenig & Strey, notes that the number of home sales in the neighborhood remains high relative to many other areas of the city, and the number of short sales and foreclosures remains low. Quintana, a 26-year veteran of the real estate industry, has worked in Streeterville for four years and also lives there.

REALTORS® agree that Streeterville demand and turnover will continue at a steady pace.

"It's a city buyer," Pruchnik says. "Someone who knows what the city has to offer -- restaurants, nightlife and a great sense of community. And it's just so beautiful."

Neighborhood Picks

Among REALTORS® favorite local sites:

AMC Theater, 322 E. Illinois St., popular itself and also great for neighboring businesses

Billy Goat Tavern, 430 N. Michigan Ave, lower level, "Cheezborger! Cheezborger!"

Cape Cod, 140 East Walton Pl., seafood fine dining in the Drake Hotel since 1933, go for the clam chowder

D4 Irish Pub & Cafe, 345 E. Ohio St.

Emilio's Tapas, 215 E. Ohio St.

Fox & Obel's Market, Café & Catering, 401 E. Illinois St.

Niu Japanese Fusion Lounge, 332 E. Illinois St.

Sayat Nova, 157 E. Ohio St., East Armenian cuisine, great kabobs

Timothy O'Toole's Pub, 622 N. Fairbanks Ct.

Tru, 676 N. St. Clair St., fine dining at its best **CR**