

# Chicago Real Estate Daily

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## Lincoln Park assisted living planned on former Children's Memorial site

By [Ryan Ori](#)



A rendering of the planned senior housing facility.

A venture of Harrison Street Real Estate Capital bought a building on the former Children's Memorial Hospital campus, where it plans a new senior housing facility as part of a larger redevelopment of the six-acre site in Lincoln Park.

Harrison Street said it bought the Nellie Black Building at 702-710 W. Fullerton Parkway from a venture led by McCaffery Interests, which is leading a \$350 million redevelopment at the intersection of Fullerton, Halsted Street and Lincoln Avenue.

Harrison Street and Belmont Village Senior Living plan to tear down the seven-story structure and replace it with a similar brick building, also standing seven stories, said Harrison Street spokesman Nathaniel Garnick.

Chicago-based Harrison Street and Houston-based Belmont Village plan about 160 assisted-living and memory-care units in the new building, they said in a statement. They did not say how much their development is expected to cost or how much they paid for the Nellie Black Building.

The deal comes as McCaffery begins clearing its portion of the prime North Side parcel, which it is calling Lincoln Common. The project will include 540 apartments, 60 luxury condominiums and 160,000 square feet of retail.

All along, plans have called for senior housing on the Nellie Black site. But the Lincoln Common developers decided to sell that portion because they don't have expertise in senior housing, said Dan McCaffery, chairman and CEO of Chicago-based McCaffery. He declined to comment on the sale price.

"Belmont Village Lincoln Park represents Harrison Street's 150th senior housing investment and first in the Chicago market," Harrison Street co-founder and President Christopher Merrill said in the statement. "This investment highlights our firm's commitment to investing in and developing high-quality senior housing that serves our hometown. The need for assisted living and memory care continues to grow—both locally and on a national level—given the demographics associated with our aging population."

McCaffery Interests and Houston-based [joint venture partner](#) Hines Interests this month began demolition of the hospital, which moved to a new facility in Streeterville in 2012, after completing their \$50 million acquisition of the property in February.

Demolition will be completed by the start of 2017, when McCaffery and Hines plan to begin construction, McCaffery said. Lincoln Common will be completed by early 2019, McCaffery said.

[Abu Dhabi's sovereign wealth fund](#) is an investor in the project.

Construction of Belmont Village Lincoln Park will begin in the first quarter of 2017, with plans to open in fourth-quarter 2018, Harrison Street and Belmont Village said.

Belmont Village is a developer, owner and operator of senior housing communities. Harrison Street is [one of the largest student housing investors](#) in the country, and also owns senior housing and storage facilities.

Harrison Street and Belmont Village also are co-developing two senior living projects in California.

Founded in 2005 by Merrill and former Motorola Chairman Christopher Galvin, Harrison Street has bought and developed \$14.6 billion worth of real estate. Amid the company's rapid growth, Harrison Street has signed a lease to [move its headquarters](#) to River Point, a 52-story office tower Hines is developing along the Chicago River in the West Loop.