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Investment groups acquire landmark 360 N. Michigan office building; hotel planned

By David Roeder
and Fran Spielman

Staff Reporters

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Investment groups from Chicago and New York said Monday they have acquired the landmark building at 360 N. Michigan and plan to convert its office space into a hotel.

Chicago-based Oxford Capital Group LLC teamed with Angelo, Gordon & Co. to buy the 21-story building. Formerly known as the London Accident & Guarantee Building, it opened in 1923 at Michigan and Wacker and is part of one of the city's most impressive architectural corners.

Terms of the sale were not disclosed, but a source said the property went for \$57 million. The sale includes a tiny adjacent parking lot at 77 E. Wacker that could be used for an addition to the building.

“Given its important place in Chicago’s history and architectural patrimony, we feel an acute sense of responsibility as steward of this extraordinary building,” said Oxford President John Rutledge in a press release. The seller was New York property mogul Joseph Chetrit, part of a group that owns Willis Tower.

Rutledge added that the building will be part of a transformation that will connect a stretch of Michigan Avenue near Millennium Park to the shopping district north of the Chicago River. The deal comes as excellent operating results for Chicago hotels have generated interest in new lodging opportunities.

Rutledge said he looks forward to redeveloping 360 N. Michigan “into a high design lifestyle hotel with two stories of distinctive Michigan Avenue retail.”

Other buildings in the same neighborhood have drawn speculative interest. A couple blocks south of 360 N. Michigan is a six-story building at 200 N. Michigan that the John Buck Co. wants to replace with a 45-story apartment tower.

Buck has filed a zoning request with the city formalizing those plans. It calls for 432 rental units and about 25,000 square feet of retail space. Nearby at 203 N. Wabash, Buck is converting an old office building into a Virgin Hotel.

Also, the old Chicago Motor Club building at 68 E. Wacker Pl. is slated for conversion to a Hampton Inn. The landmark building sits directly behind 360 N. Michigan.

Oxford Capital has nine other hotel investments in the Chicago area, including the just-opened Langham Chicago in the former IBM Building at 330 N. Wabash.

The 360 N. Michigan building occupies the site of Fort Dearborn. Built by a British insurance company that gave the building its original name, it later was known as the Stone Container Building and as the home of

Crain Communications Inc. Crain's departure in 2012 was part of an exodus of the building's office tenants as Chetrit weighed options for the property.

Old-timers will remember it as the former home of the London House restaurant and the studios of WLS radio when it pumped out Top 40 hits.

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