

Michigan firm buys building near Board of Trade

By: [Dave Matthews](#) January 04, 2012



209 W. Jackson Blvd. Photo from CoStar Group Inc.

(Crain's) — A suburban Detroit investor who's snapping up vintage buildings in the Loop paid more than \$12 million for 12-story structure in the South Loop but faces an immediate challenge replacing a key tenant.

Andy Farbman last month bought 209 W. Jackson Blvd., a 145,000-square foot building that's nearly fully leased. The Service Employees International Union is expected to leave when its lease for 25,000 square feet expires this summer, says Mr. Farbman, president of Southfield, Mich.-based Farbman Group. The seller was Chicago-based real estate investment firm M & J Wilkow Ltd.

Mr. Farbman declines to disclose the purchase price but says the building was sold for more than the nearly \$12 million in debt on the property, which Farbman Group has assumed.

The property was appraised at \$15.4 million in 2006, when the loan was issued and sold to investors on the commercial mortgage-backed securities market.

Marc Wilkow, president of Wilkow, did not return a call requesting comment.

The building's net operating income declined 11%, to \$2.9 million in 2010, compared to nearly \$3.3 million in 2009, the most recent years for which figures are available, according to a loan report compiled by Bloomberg L.P. During the first three quarters of 2011, the net operating income was about \$2.2 million, the report says.

Other important tenants include financial futures trading firm FuturePath Trading LLC and a local office of Roseland, N.J.-based payroll company Automatic Data Processing Inc.

Built in 1898, the masonry structure was designed by architect Charles Sumner Frost, who also designed Navy Pier. The building is about two blocks from the Chicago Board of Trade, 141 W. Jackson Blvd.

"We absolutely love historic, well-located buildings that have all the amenities of today and the charm of yesteryears," Mr. Farbman says.

The sale caps a busy 2011 in downtown Chicago for Mr. Farbman, who in 2011 also scooped up older office buildings at 205 W. Randolph St. and 79 W. Monroe St.