

Appraisal Research Counselors

400 E Randolph Street, Suite 715  
Chicago, Illinois 60601-7388

T: 312-565-0977  
F: 312-565-3436

[Click here to view AppraisalResearch.com](http://AppraisalResearch.com)



Professional Service Since 1968

*Appraisal Research Counselors®*



The tiny Poison Dart Frog is the world's  
Touching it can kill you.

[HOME](#) [DEALMAKERS](#) [CALENDAR / PHOTO](#) [TREND OF THE WEEK](#) [CLOSER](#) [CLASSIFIEDS](#) [CONTACT US](#) [GGP N](#)

[Home](#) > [News](#) >

[ShareThis](#) [Print](#) | [Reprints](#) [Comments](#) | [Related Stories](#)

## Shipka, Stein win condo loan extension

By: Andrew Schroedter **September 01, 2010**

(Crain's) — Developers Ronald Shipka Sr. and Richard Stein have won a key loan extension on the slow-selling first tower at Walton on the Park and have scrapped plans for a second condo high-rise on the site.

Now, their joint venture is considering renting out the nearly 100 unsold units in the 201-unit tower, completed earlier this year at State Street and Delaware Place on the Near North Side, according to a lawsuit by two prospective buyers.

Meanwhile, the developers have avoided a showdown with their lender, winning an extension late last month on a \$129.5-million construction loan.

The note was to have matured in January, but that deadline was pushed back to March and can be extended again until September 2012, according to a copy of a mortgage amendment filed with the [Cook County](#) Recorder of Deeds.

Mr. Shipka, president of Chicago-based [Enterprise Cos.](#), didn't return a call. Mr. Stein, a senior managing director with Mesirow Financial, also didn't return a message. A Mesirow spokeswoman declines to comment.

But the developers clearly need the extra time.

Buyers have closed on 22 units and another 81 are under contract, confirms Ralph Oliva, a sales associate in the Lincoln Park office of residential brokerage Coldwell Banker NRT, which is handling sales at the 31-story building, located next to the landmark Scottish Rite Cathedral and near Washington Square Park.

But slow sales have become the norm for recently completed condo towers in the city's most fashionable neighborhoods.

Walton on the Park's developers "haven't underperformed the market," says Gail Lissner, a vice-president at [Appraisal Research Counselors](#), a Chicago-based real estate consulting firm. "This is the new reality."

In a sign that the new-condo market is expected to stay in a prolonged funk, the developers have dropped a proposal for a second residential tower, which would have brought the total number of units up to 385.

Instead, the developers plan to build a small commercial building on the site, according to the loan amendment.

In the meantime, part of the first tower may go rental, according to a lawsuit filed by two investors seeking to void their contracts on two units.

In May, Walton on the Park's property report — a document given to prospective buyers — was amended to allow Enterprise and Mesirow to "lease all the unsold units," something they had previously promised would not happen, according to the suit, filed July 27 in [Cook County](#) Circuit Court.

"That changes the entire character of the property," says Donald Battaglia, the Waukegan-based lawyer for the investors, Aurelius Butkevicius and Marika Motuzaitė.

LOOPNET

CLICK HERE  
CHICAGO  
Chicago



### Recent News

[Ruling scuttles J  
InterContinenta](#)

[Loan in default](#)

[\\$100 million in  
sale](#)

[Sheraton Chicago  
briefly](#)

[In brief: Penins  
Street](#)

[More News...](#)

[Comment on](#)  
*Scroll to the bot*

The venture's \$129.5-million construction loan was issued in January 2008 by Corus Bank. After the Chicago-based bank failed last year, its loan portfolio was acquired by a joint venture led by Greenwich, Conn.-based Starwood Capital Group and Fort Worth, Texas-based TPG Capital.

The current balance due on the loan could not be determined. A spokesman for the venture, called ST Residential LLC, declines to comment.

## What do you think?

Add a comment

Submit

### You May Also Like

- ▶ Shipka sued over personal loan guarantees
- ▶ Lincoln Park condo project lands \$170-million loan
- ▶ Northbrook office complex seeks loan restructuring
- ▶ Australian firm defaults on loan for local properties
- ▶ Downtown condo sales lag as tax credits end

### Suggested Searches

mb

financial - edens corporate center - special servicer - lincoln park - palm springs - related story - cook county circuit court - northbrook office complex - australian firm defaults - downtown condo sales



First  
of Hi  
is th  
to yo  
ban

Click

First Ba