

Condos stake claim as 1st choice for downtown Chicago living

By John Handley
Tribune staff reporter

By staying put, 34-year-old Eric Worley has become part of a trend: people buying residences in downtown Chicago.

His reasoning?

"It's cheaper to own than to rent," said Worley, a trader at the Chicago Board of Trade. "That's on a monthly cash-flow basis, after the down payment," he said.

Worley paid more than \$300,000 in November to purchase the 16th-floor unit he had been renting at Grand Plaza, whose 37-story west tower at 545 N. Dearborn St. is converted to condominiums.

In 2000 Chicago ranked No. 1 in the country in the proportion of downtown residences that were owner-occupied, at 40.7 percent, according to a recent Brookings Institution report based on U.S. Census figures. In 1970 Chicago's downtown homeownership rate was a mere 4 percent, the report said.

Parallel figures aren't available for 2005, but the number of housing units in downtown Chicago has soared to 80,000 from 60,000, and the proportion of owned units to rental ones has, too, said Gail Lissner, vice president of Appraisal Research Counselors in Chicago.

Appraisal Research defines the downtown area as being

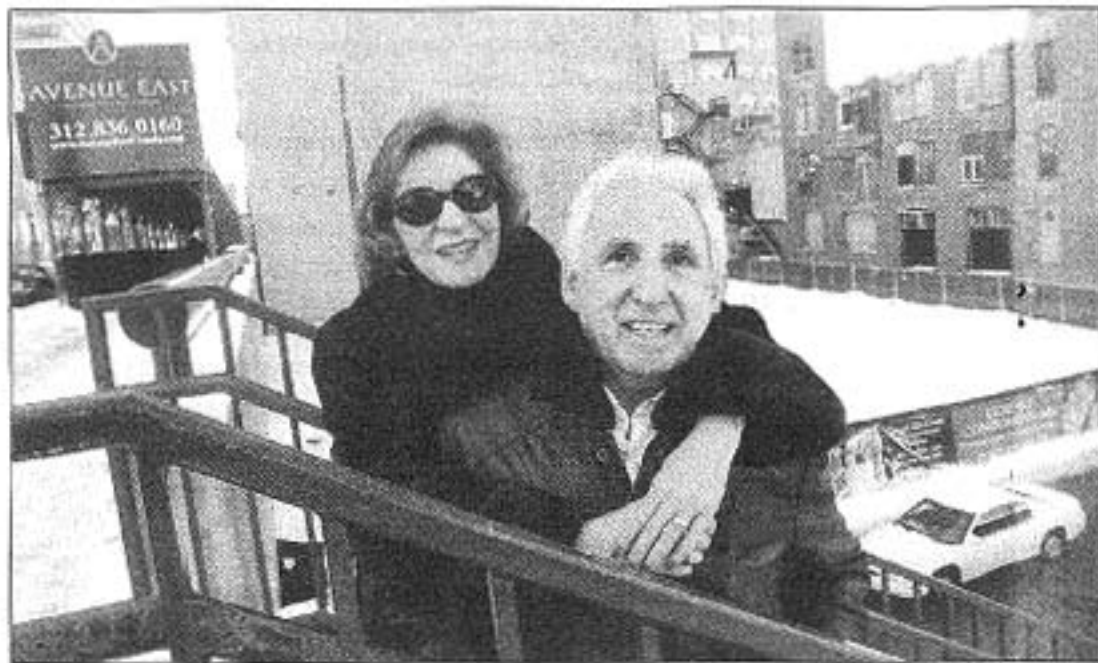
bounded by North Avenue, 22nd Street [Cermak Road] and Ashland Avenue. The Brookings study defined downtown's western boundary as Halsted Street. In 2005 rentals amounted to 25 percent of the 80,000 units, Lissner said. The number of rental units dropped in the last five years, from 22,300 to 20,500, she said.

Why the boom in buying?

Downtown is taking off because it is a bargain compared with other world-class cities, said Ronald Shipka Sr., principal of Chicago-based Enterprise Cos.

"A lot of people buy here be-

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Photos for the Tribune by Warren Skabbi

Gino Di Nallo and his wife, Germana, plan to move into a condo in the Avenue East development at St. Clair and Illinois Streets.