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## Soho House hotel developers secure \$44.4 million construction loan

By: Ryan Ori



Figure 1- A rendering of the Soho House planned for 113-125 N. Green St.

The developers of the Soho House hotel in the Fulton Market meatpacking district landed a \$44.4 million loan to finance construction of the 40-room hotel.

Shapack Development and AJ Capital Partners LLC, both based in Chicago, received the loan from New York-based NorthStar Realty Finance Corp., a key step in their plan [to convert a former rubber belt factory](#) at 113-125 N. Green St. into a trendy club and boutique hotel.

The loan closed yesterday, according to New York-based Mission Capital Advisors LLC, which arranged the financing.

The total cost of the project is not known. The developers paid \$6.5 million in February 2012 for the former Chicago-Allis Manufacturing Corp. factory. The building is just southwest of the intersection of Randolph and Halsted streets, in the heart of the city's rapidly expanding restaurant row.

Jeff Shapack, president of Shapack Development, said demolition work began in April, including the removal of the sixth floor, which will be reconstructed. Completion of the project is planned by June 2014, he said.

The six-story, 40-room hotel will be the first in the Midwest for London-based Soho House Group. It will include Chicken Shop and Pizza East restaurants, a bar and pool on the rooftop, plus a spa, gym and screening room.

Founded by Nick Jones in 1995, Soho House offers private memberships but also reserves some rooms for the public. It has 11 hotels, with locations including London, Berlin, Toronto, New York and Miami.

“Soho House is one of the leading private social clubs in the world,” Jordan Ray, managing director of New York-based Mission Capital Advisors, a capital markets advisory firm, said in a statement announcing the placement of the construction loan. “A club of Soho House's caliber will be a great addition to Chicago and the rapidly developing Fulton Market district of the West Loop.”

<http://www.chicagorealestatedaily.com/article/20130502/CRED03/130509933/soho-house-hotel-developers-secure-44-4-million-construction-loan>