



## Owner of East Market Street buildings eyes apartment conversion

By Tom Harton

The owner of a pair of century-old buildings on East Market Street is searching for a partner or buyer interested in converting them to apartments or a boutique hotel.

Crown Property Group is issuing a request for proposals for the buildings, one of which is at 136 E. Market and houses a Stockyards Bank branch. The other is at 129 E. Market. Built around 1904, it's known as the J.F. Wild Building. Though Crown envisions the buildings being converted to apartments, it's open to other ideas.

The request for proposals will go this week to "a select group of developers" representing a variety of product types, said Amy J. Burmeister, a Summit Realty Group broker who, along with Summit broker Alex Cantu, is working on the RFP for the owner. Responses are due Nov. 1.

RFPs are typically issued by government entities and go to a broad group of potential respondents. Burmeister said the RFP is likely to generate more conversation about redevelopment compared with simply listing the buildings for sale.

Jim Ammeen, a lawyer and a partner in Crown Property Group, said it's possible the buildings would remain office space. But he said his goal has long been to convert them to another use.

"I've been thinking of doing something different with the buildings ever since we acquired them," said Ammeen, who co-founded Crown in 2003 to buy downtown real estate. Its first purchase, in 2005, was the Barrister building at the southwest corner of Delaware and Market. Crown bought the Stockyards Bank building in 2006 and the Wild Building in 2008. The Barrister building isn't for sale.

To ready the Wild Building for sale, Ammeen bought out the owner of the building's ground lease. The 99-year ground lease, executed in 1919, had landed with Huntington Bank by the time Crown bought it last year.

He also worked to assemble parking for the buildings. Last year, Crown bought from Huntington a 48-space parking lot immediately east of the Wild Building. It also bought from Huntington control of 56 spaces inside the Penn Park Garage,

which is connected to the Wild Building.

The parking is expected to make the buildings more attractive to apartment developers, as is their location just a block from Monument Circle. The buildings, both of which are about 55,000 square feet and 12 stories tall, are sparsely occupied and most of the leases are set to expire soon. The exception is the Stockyards Bank branch, which is expected to remain on the first floor of the 136 E. Market building.

"We want the market to tell us what the market thinks is the highest and best use of the buildings," said Ammeen, who thinks apartments are the most logical use for the buildings. The economy points toward people leasing rather than buying their homes, he said, and the price of gasoline makes it more attractive to live in a walkable downtown.

Ammeen's interest in downtown development goes beyond his role as a building owner. He was on one of the many committees that helped create the city's most recent Regional Center Plan, a document that guides downtown development and recommended higher population density for downtown. Last February, he joined the board of the Indianapolis City Market, which is less than a block from Crown's buildings.

Scott Pollom, a broker with Cassidy Turley who specializes in apartments, said any property within walking distance of the Wholesale District or Monument Circle is a candidate for an apartment conversion. He said he's working with investors now who want to create high-end apartments downtown. Secured parking, preferably in a garage, is key to that strategy, he said.

John Watson, a developer of downtown apartments, most of them in converted buildings, said there are pros and cons to Crown's buildings.

The west side of downtown is a hotter apartment market because of the student population at IUPUI, he said. The Crown buildings also have fewer windows and lower ceiling heights than he'd typically want to see. But he said the proximity of the buildings to Monument Circle and to the State Capitol could make them good candidates for conversion. •