



Project Data

Key Scope Items:

- Hotel Market & Financial Feasibility
- Corporate Housing Analysis
- Market Supply & Demand Analysis

HSP Professionals Involved in Project: Rob Hunden

Time of Service: 2008

Presidential Towers Hotel Market Study

Chicago, Illinois

Presidential Towers is a two-square block development built in 1986 that includes four, 49-story towers. The towers are primarily comprised of 2,346 apartment units, as well as 266 corporate apartment suites. The complex also includes 110,000 square feet of retail/restaurant space and 1,159 parking spaces. The owner engaged Hunden Strategic Partners to assess the feasibility of converting a portion of the complex to hotel use and determine if this could generate greater returns than existing rental units.

The owner proposed consolidating a hotel into one building of the complex. HSP focused the study on an extended-stay concept as well as corporate housing.

HSP conducted an analysis of the competitive hotel market and determined that while the hotel market was strong at the time, the market outlook did not support the conversion of apartments to hotel use. If strong office space demand in the West Loop continues and the market recovers, the extended-stay and corporate housing components of this project will become feasible. The building could be divided between a 250-room extended stay hotel and a 350-room corporate housing component once the market recovers. A food service area and small meeting space was also included in the recommendation.