

### Philipsborn Finances Evanston Apartment Building

The Philipsborn Company has arranged first mortgage financing in the amount of \$500,000 for a 60-year-old, four-story apartment building located at 843 Ridge Avenue in Evanston. The structure contains a total of 22 units and is situated on a 19,000-square-foot site.

Brien Wloch, Philipsborn's assistant vice president, negotiated the transaction on behalf of the borrower, an Illinois land trust. The five-year, fixed-rate funds were provided by the Federal Home Loan Mortgage Corporation (Freddie Mac), for which Philipsborn is an approved seller/servicer. □

### Baird & Warner Arranges \$5 Million Industrial Loan

Baird & Warner has arranged a \$5.5 million mortgage for the acquisition of a recently completed industrial warehouse building at 1875 Holmes St. in Elgin.

Sole tenant of the 134,000-square-foot structure is Astra Precision Products, Inc., a manufacturer of products for the defense industry. The 50-year-old firm, a division of Astra Holdings, U.K., is consolidating operations from two facilities in Elk Grove Village.

Michael Miller, senior vice president in Baird & Warner's real estate finance group, assisted by Bradley P. Hammitt, negotiated the seven-year loan on behalf of an Illinois land trust. The lender, for which Baird & Warner is a correspondent, was not identified. □

### Mid-North Finances Mixed-Use Complex in Carol Stream

Mid-North Financial Services, Inc. announced the completion of funding of a \$2.1 million first mortgage loan for a term of five years on an office/service center building located at 135 E. St. Charles Road in Carol Stream in the Gary/St. Charles Industrial Park.

The property is a newly-completed, one-story, masonry and steel office/warehouse building containing 43,520 square feet of net leasable area, of which 17,000 square feet is finished, air-conditioned office space.

Financing was placed with New England Mutual Life Insurance Company, for whom Mid-North is an exclusive Chicago-area correspondent. Mid-North was represented in all loan negotiations by Michael E. Grant, vice president. □

## Taking Tenant Representation By Storm



*When Lincoln Property Company started a new tenant representation venture, Lincoln Corporate Real Estate Services, Gail Sturm seemed a natural for the job. Sturm, 35, joined Lincoln Property Company in 1987 as a senior vice president, a title she had earned during the preceding seven years as a commercial broker at Otis Realty Group.*

### What is meant by the term "tenant representation?"

Like the word love, tenant representation has a lot of different meanings to a lot of people. In the event a company has a real estate requirement and they want to investigate the opportunities in the area and explore all the possibilities, then I would represent them in a defined marketplace according to the parameters we set forth. I then enlist such experts as architects, attorneys and other developers; anything that will satisfy the client's objectives.

### What does your job at Lincoln Corporate Real Estate Services entail?

We secure clients and represent their real estate needs. We help them understand what they should be focusing on to make exceptional real estate decisions. They have a general idea of what they require, but we assist them in developing specific objectives to reach their goals by implementing a strategy that we have worked out over the last 10 years.

After the client signs a lease, we continue to service them after the move-in. This allows the client to realize what's been negotiated for them and allows us to continue the relationship in the months ahead.

### What type of firms do you represent?

Household Finance, AT&T, New York Life Insurance. We focus on major corporations.

### Are the new broker disclosure requirements a good idea?

It's always a good idea to clarify. When you deal with different parties, everyone needs to be clear on what their responsibilities

are and what they are expected to do in order to avoid any confusion and best accomplish the objective. In tenant representation, someone clearly needs to create a meeting of the minds between the client and all the other parties.

### How do these requirements affect your work?

The client needs to feel comfortable with the tenant representative; chemistry is important. Furthermore, the ethics of individuals come into play and issues will arise when these aspects of tenant representation will be tested. Clients may feel comfortable with tenant representatives even though they represent a development.

### Is it possible for a tenant representative working with a developer to steer a client toward that development?

I don't steer, I guide, and educate my clients by supplying the energy, resources, knowledge and ingenuity that generate complete solutions. Steering is cheating in my mind. What I do is present all the possibilities.

### Are development firms increasingly including tenant representation as one of the services they offer?

Yes. However, several allow the tenant representative to represent their development as well as outside clients' needs. We are making a distinction. Many developers in Chicago are putting in a corporate real estate services department. There are also tenant representative firms that do nothing but represent the client. Lincoln Corporate Real Estate Services represents the client, but we also have the opportunity to draw upon other expertise from Lincoln Property. It's important to be able to go into the marketplace, in my mind, and be free of being associated with a particular development when representing a client.

Tenant representation is very profitable and that's why developers are interested in it. □

—by J.D.