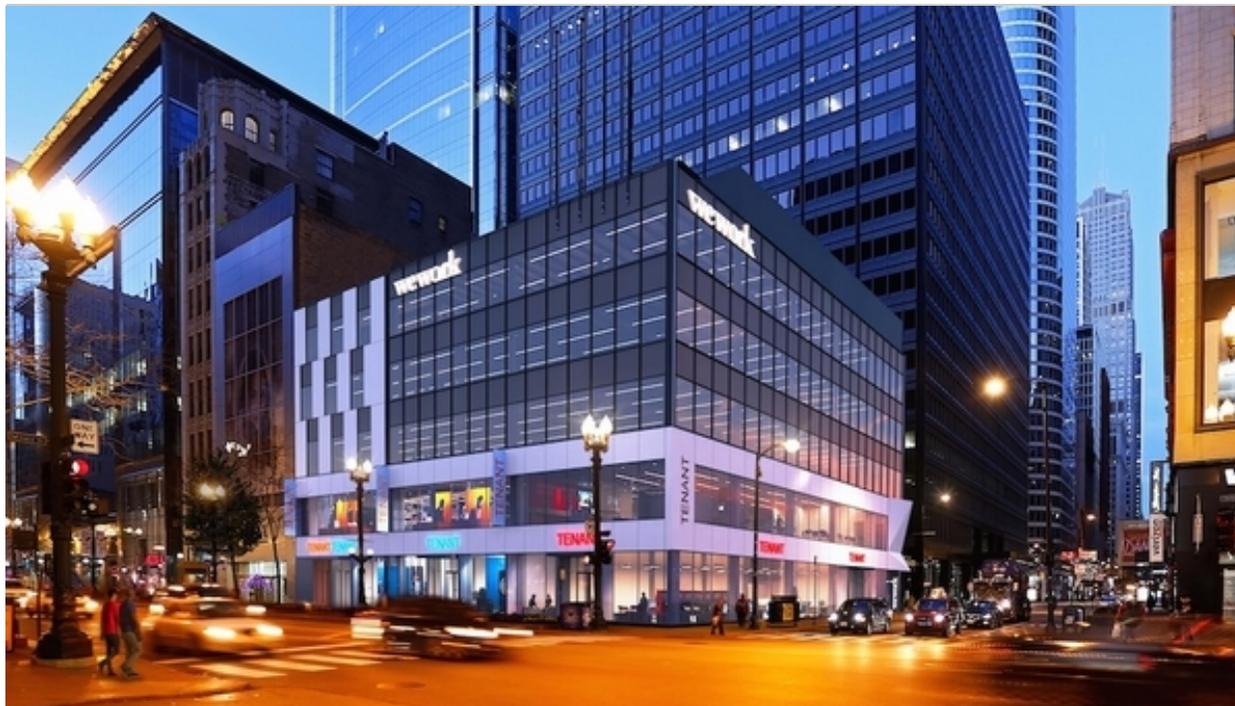


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## WeWork moving into former Amalgamated Bank HQ on State Street

By Ryan Ori



WeWork will lease the top three floors of 100 S. State.

PHOTO BY TISHMAN REALTY

WeWork is moving into the former Amalgamated Bank headquarters on State Street, as the co-working company continues showing a voracious appetite for Chicago office space.

New York-based WeWork, the biggest player in the co-working industry, leased 43,200 square feet in the former Amalgamated building at 100 and 112 S. State St., said property owner Tishman Realty.

The office deal fills the top three floors of a property the Tishman venture is redeveloping, while it seeks three to five retail tenants for the lower two floors.

New York-based Tishman and its investment partner, a unit of Paris-based financial services group AXA Group, **paid Amalgamated \$35 million last March** for the property, which is on one of Chicago's best-known retail streets. The bank moved its offices to 30 N. La Salle St.

Tishman has begun gutting the building at 100 S. State, and it plans to begin demolishing the connected structure at 112 S. State in March, said Chicago-based Tishman Vice President Jason Blum. Men's

Warehouse moved out of that space in January, after Tishman bought out the final year of its lease, Blum said.

The demolished portion will be replaced with a new structure connected to 100 S. State, creating a 70,000-square-foot structure with an office entrance on Monroe Street and up to five retail entrances on State Street, the developer said. Tenants are expected to move in by early 2017, according to Blum.

Letters of intent are being negotiated with retailers, but some space remains available, Blum said. Principal Paul Bryant and Vice President Andrew Becker of Oakbrook Terrace-based Mid-America Real Estate Group are the property's retail leasing brokers.

WeWork will have its name atop the five-story structure on the State and Monroe sides of the building.

“Our ability to have attracted such a high-quality tenant to this asset so early in its redevelopment cycle demonstrates both the appeal of this prime space and location, and our ability to meet the needs of a diverse range of (tenants),” Tishman President David Rothenberg said in a statement. “WeWork brings the demographics that retailers covet and will make the property even more attractive to retail tenants.”

A WeWork spokeswoman declined to comment.

WeWork has shown no signs of slowing down in Chicago, where it has by far the largest presence among **co-working space providers**. Co-working firms sign long-term leases for office space, then rent it out to entrepreneurs or small companies via short-term memberships.

The amount of co-working space in Chicago nearly doubled last year, up to more than 1.15 million square feet from 629,904 square feet in 2014, according to New York-based Newmark Grubb Knight Frank and Chicago Creative space.

With the latest lease, WeWork has committed to about 400,000 square feet in Chicago. The company recently signed the largest co-working deal in Chicago history, for about 112,000 square feet in the **former Chicago Public Schools headquarters** at 125 S. Clark St.

Other locations where WeWork is open or has offices in the works include **Google's former space** in River North, **another River North building**, and buildings in the **Fulton Market** district and on **South Michigan Avenue**.

WeWork has local and national competitors in Chicago. McLean, Va.-based **MakeOffices** is in the process of expanding to at least 160,000 square feet of Chicago space.

The State Street project isn't Tishman's only ongoing development in Chicago.

Tishman, which also developed the Sheraton hotel in Streeterville, is meeting with community groups as it seeks city approval to develop a 24-story, **395-room hotel** on the former Museum of Contemporary Art site in Streeterville.

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