

CRAIN'S DETROIT BUSINESS

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Real Estate Insider: Redico, Avis team to develop 156 acres near Ann Arbor



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Real estate



Courtesy of Redico LLC

Redico LLC and the Avis family plan to develop 156 acres of Pittsfield Township land near Ann Arbor on the unsold parcels show in the image above.

Redico LLC and a member of the Avis family are teaming to develop 156 acres of land in Pittsfield Township near Ann Arbor.

A joint venture between the Southfield-based developer and landlord and Asset Property Management Inc., run by Wayne Avis, owns the property and would develop and own the life sciences, tech, research & development, light industrial and office buildings envisioned for the site, said Dale Watchowski, president and CEO of Redico.

The property consisting of nine parcels ranging from 2.5 acres to 17.5 acres is at the southeast corner of Textile Road and State Street.

"The Avis family owned land and they were looking for us to contribute development expertise," Watchowski said. "We were also, at the same time, looking to continue to develop in the corridor that extends between Detroit and Ann Arbor, really looking at continuing the initiative that we started at (5 Mile and Beck roads in Northville), with our more recent development, Hoover and Greene (in Ann Arbor), the idea that we wanted to continue growing in that market largely to take advantage of opportunities that come as a result."

Watchowski said the site could accommodate more than 1 million square feet. There are "several companies with whom we are in active discussion" for the site, he said in a statement.

The Ann Arbor office of Colliers International Inc. has been retained as the brokerage firm marketing the property.

In another recent Ann Arbor flex/office space move, a new company called Portage Capital Partners LLC announced its plan to do a \$60 million to \$70 million, 230,000-square-foot [speculative project](#) in the Ann Arbor Research Park near I-94 and State Street.

Data from the real estate brokerage firm Swisher Commercial in Ann Arbor shows that at the end of 2018, the city's southern submarket where the project would be located has 49 flex buildings totaling 2.34 million square feet, and 5.3 percent of that space is vacant. That's up 1.1 percentage points from 4.2 percent at the end of 2017. The vacancy rate was 5.6 percent at the end of 2016 and 13.1 percent at the end of 2015.

Redico's activity in the western suburbs includes a series of build-to-suit projects in the Northville Technology Park at the northeast corner of 5 Mile and Beck roads, and the former Detroit House of Corrections property to the west down 5 Mile Road.

It is also working on a [167-unit apartment building](#) in Ann Arbor proper north of Michigan Stadium set to be complete over about two years after a July groundbreaking ceremony.

Annalise Frank/Crain's Detroit Business

The Albert Kahn-designed former Detroit Police Department headquarters at 1300 Beaubien St. downtown opened in 1923.

\$120 million for 1300 Beaubien

Dan Gilbert's team is seeking a Commercial Rehabilitation District for the former Detroit Police Department headquarters at 1300 Beaubien St. downtown for an up to 10-year property tax abatement. In its documentation to City Council, the Detroit-based real estate company says the redevelopment of the property into a boutique hotel is expected to cost about \$120 million. That's based on square footage, not specific plans.

Council briefing documents say construction is expected to take about 30 months once it begins after the establishment of the district.

Bedrock LLC got the 1923 building in a deal with a Detroit bankruptcy creditor, Bermuda-based Syncora Guarantee Inc., in [February 2018](#). I [reported in March](#) that it was expected to be about 200 rooms.

From around the web

- Hannah Lutz at our sister publication Automotive News takes a look at [the bleak future](#) for the UAW-GM Center for Human Resources on Detroit's riverfront.

- John Gallagher at the Detroit Free Press looks at the [former Kmart Corp. headquarters property](#) in Troy. [I wrote about this last month](#) following a chat with Nate Forbes, managing partner of Southfield-based Forbes Co., which owns the 40-acre site.
- Aaron Mondry at Curbed Detroit looks at [how a recession would affect](#) Detroit's development outlook.
- Free Press reporter Mark Kurlyandchik has a [brutal indictment](#) of Ferndale restaurant Otus Supply, which apparently has been bouncing checks and not paying creditors. The owners [invested about \\$4 million in the project](#), including the purchase of the building at 345 E. Nine Mile Road.

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