





Development group buys Cleveland Athletic Club building



Photo credit: STAN BULLARD
The Cleveland Athletic Club building in downtown Cleveland

By [STAN BULLARD](#)
3:07 pm, January 7, 2014

The development group planning to construct a Crowne Plaza Hotel and apartments in the former Cleveland Athletic Club building in downtown Cleveland recently took another step — tiny though it may be — toward making the project a go.

Euclid Hotel Associates LLC on Dec. 31 bought the building at 1118 Euclid Ave. from CAC Building Properties LLC for \$4.5 million, according to Cuyahoga County digital property records.

However, CAC Building, controlled by property speculator Eli Mann of Cleveland Heights, continues to hold a mortgage of undisclosed amount on the building, land records show.

Ned Weingart, a developer in Cleveland Heights who is managing member of Euclid Hotel, said his group plans to pay the balance of the purchase to CAC Building when it closes on construction financing for the project, perhaps as early as this spring. He declined to say how large a mortgage CAC Building holds. County records do not specify the amount of the mortgage.

As part of the transaction, Mr. Weingart said, the seller also must pay more than \$1 million in unpaid property taxes on the property, according to county records. That figure has increased since Cuyahoga County instituted a foreclosure proceeding last May 16 to recoup unpaid property taxes, then about \$700,000.

Mr. Weingart said gaining ownership of the project primarily helps Euclid Hotel with the project because lenders are more willing to proceed if a developer has title to a property.

Gaining title to the building also staves off a clawback by the state of Ohio on a State Historic Preservation Tax Credit allocation for a project in the century-old structure that Mr. Mann's group obtained in 2007. However, Mr. Weingart said that to keep the state tax credit in place, his group has agreed to accept a limited state tax credit for \$9 million. The state originally authorized a tax credit of \$12 million.

Euclid Hotel estimates the project will cost about 10%, or \$5 million, more than a year ago, due to increased construction costs, Mr. Weingart said. The project still calls for 195 hotel rooms, about 30 apartments and upgraded first-floor retail space.

Mr. Weingart's partner in the development is Whitestone Realty Capital LLC of New York City.

Mr. Mann did not return a phone message by 2:50 p.m. today, Jan. 7.

The 15-story CAC Building is part of the “dead zone” of empty buildings on Euclid Avenue near East Ninth Street that within the past year has started to come to life with construction of two nearby projects. Those are Geis Cos. “9” project that incorporates the



1010 Euclid Ave. building and the former Ameritrust complex; and the Truman Building apartment conversion at 1030 Euclid by an affiliate of CRM Cos., which also is doing the Kimpton Hotel project on the southwest corner of East Ninth and Euclid.

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