

## COMMERCIAL REAL ESTATE

## As Detroit sees a redevelopment wave, these buildings await their turn

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From left: the Old Wayne County Building (CoStar Group Inc.), Cadillac Place ( Larry Peplin for Crain's Detroit Business) and the Detroit Life Building (CoStar Group Inc.). (Archive)

 By **Kirk Pinho**

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Downtown Detroit and its immediate surrounding neighborhoods like Midtown, Corktown and the New Center area are a far cry from where they were two decades ago. A redevelopment wave has transformed the central business district and other enclaves in the first part of the 21st Century, overhauling a downtown that was once defined by barren, desolate storefronts and empty buildings.

Dozens of those buildings have been renovated and filled in the last 15 or 20 years, in spite of the major office-market shakeup caused by COVID-19.

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Perhaps the two most substantial of all — **Michigan Central Station** and the **Book Tower and Book Building** — give some visitors a near-religious experience after decades of abandonment.

In spite of those Herculean tasks, however, there are still buildings in and around downtown Detroit that sit empty, or largely empty, with speculative futures. Despite the momentum the downtown area currently has, redevelopment remains difficult.

“It is an extremely difficult time to place capital, whether debt or equity, in this current environment,” said developer Clifford Brown of Detroit-based Woodborn Partners LLC. “We often get the notion that large corporations have endless capital and even if that were true, which it isn’t, in a healthy ecosystem, some capital for projects like these is raised externally. Right now, that is a challenge regardless of where you are doing development.”

Crain’s used a broad rubric to create a list of underutilized buildings that have yet to see major redevelopments come to fruition, and focused on downtown, Corktown,



New Center and Midtown.

In order to appear on the list, the building has to meet at least one of the following criteria:



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- The building is vacant, or largely vacant.
- There is no public, active or serious redevelopment plan.
- Redevelopment has stalled for a lengthy period of time.
- No major work has been done on the building in many years.

Buildings on this list range in age and size, in locations, and in owners.

Some buildings have had significant work done in recent years, but remain vacant. Others have barely been touched. And still others have started major projects that are now stalled, with no clear answer on when and if construction will resume.

## **Cadillac Tower**



Dan Gilbert paid what a source said was approximately \$36 million for the Cadillac Tower skyscraper downtown in November 2021. (CoStar Group Inc.)

This gigantic tower overlooking downtown's Cadillac Square is one of the few remaining landmark buildings in Detroit to not enter its next phase in life.

But it's not a matter of if it will be redeveloped, but when.

The 40-story office tower is owned by Dan Gilbert's Detroit-based Bedrock LLC, which declined to comment for this story. It sits immediately across from the company's Development on Cadillac Square, the first phase of which, Cosm, is barreling toward completion in September.

Both hotel and multifamily uses are possible redevelopment options, but so far, Bedrock has been mum about what the ultimate vision is.

Gilbert bought Cadillac Tower in November 2021 for **approximately \$36 million**.

Built in 1927 by John Barlum and designed by Bonnah & Chaffee, it has had a turbulent ownership history this century, cycling through various owners until Gilbert's purchase five years ago.

According to [Historic Detroit](#), which tracks Detroit buildings and architecture history, Cadillac Tower doesn't have windows on its western side facing Campus Martius Park because the Cadillac Square Building that had been next door meant that "there was no point in having windows looking into another structure's windows."

## Former DPD headquarters



The former Detroit Police Department headquarters building at 1300 Beaubien downtown. (Kirk Pinho)

In general, Gilbert's Bedrock has been pretty mum about the future of the vacant former Detroit Police Department headquarters at 1300 Beaubien St. in Greektown.

But it's long been viewed as a hotel/hospitality play, even though whatever the redevelopment looks like will have to account for [the 105 jail/holding cells on the top two floors](#) of the Albert Kahn-designed building.



Bedrock acquired the building, which housed the police department for some 90 years until 2013, from a Detroit bankruptcy-era creditor in 2018.

Hotel space has long been kicked around as a future use, including pre-pandemic, when the nearby site of the half-built, now-demolished former Wayne County Consolidated Jail was the anticipated home of what is now the University of Michigan's Detroit Center for Innovation. The UMCI project ultimately **moved forward on a different site.**

## Penobscot Building



The Penobscot Building (left) was for nearly 50 years the tallest building in Detroit. (Larry A. Peplin for Crain's Detroit Business)

Although occupied by a smattering of office tenants, the historic 47-story skyscraper that for decades was Detroit's tallest building has faced serious challenges.

**Fires, overflowing toilets, nonworking elevators, HVAC systems going kaput, leaving tenants freezing:** All have been hallmarks of the Penobscot in the last decade-plus under its Toronto-based ownership, Triple Properties, which paid just \$4.8 million for the complex after the real estate market bottomed out during the Great Recession. They've wanted **north of \$100 million** for it in the past.

A company representative was not available for an interview, but a spokesperson provided a statement saying that Triple Properties is working on the building's "next chapter."

"Unlike many historic buildings that have been lost over time, the Penobscot has been preserved, protected and maintained through one of the most challenging periods in the history of commercial real estate," the statement says. "That stewardship reflects our unwavering long-term commitment to the building, to downtown Detroit and to ensuring its next chapter is worthy of one of the city's most iconic landmarks."

"While much of the work has occurred behind the scenes, we have spent years evaluating the building's future, engaging with experts and developing a strategy that reflects today's market realities. We have now identified the direction we intend to pursue and are excited about the building's future. While it is premature to publicly discuss the details, we are confident the Penobscot's next chapter will reinforce its role as one of Detroit's defining landmarks."

The building is about 40% occupied, a spokesperson said.

## **Ford Building**





The Ford Building at 615 Griswold St. in downtown Detroit. (CoStar Group Inc.)

Once Detroit's tallest building, the Ford Building was gradually emptied under its current ownership, the Shiffman family, in an effort to turn its office space into multifamily use.

However, that conversion plan never materialized and last month, the Ford Building went up to auction, fetching a **\$5.05 million high bid**. It's not known, though, whether that bid met the ownership's reserve price — essentially, the lowest amount they would accept in order to sell it.

Today, it's just 14% occupied.

Through their broker with Farmington Hills-based Friedman Real Estate, the Shiffmans declined comment.

It opened in 1908, according to **Historic Detroit**, a website that tracks Detroit real estate and architectural history. At the time it was built, it was the tallest tower in the



city, and was reportedly declared as the “first real skyscraper” by the Detroit Free Press.

The Ford Building has no connection to the family that started Dearborn-based Ford Motor Co., but instead takes its name from the Edward Ford Plate Glass Co., according to Historic Detroit.

It was designed by architect Daniel H. Burnham, who also designed the famed Flatiron Building in New York City.

For nearly seven decades, it had been home to the downtown location of the storied Sanders ice cream and chocolate shop, which shuttered for good in the early 1990s, according to Historic Detroit.

## Renaissance Center Tower 600



The 600 Tower of the Renaissance Center (foreground) in downtown Detroit is 21 stories tall and 334,000 square feet. (CoStar Group Inc.)

The 21-story Tower 600 of the Renaissance Center is in limbo.

For starters, it's almost entirely vacant after Blue Cross Blue Shield of Michigan consolidated into Tower 500 next door.

But it also has relatively new ownership, an Oakland County doctor, Mahmoud Al-Hadidi, who has been **investing in commercial real estate for years** but has never pulled off a redevelopment anywhere close to what he is now proposing for his building.

He had originally planned to overhaul the bottom floors for office space and make the upper floors for-sale condos, but scratched that plan in favor of a hotel.

Earlier this year, Al-Hadidi started seeking public incentives to convert the building east of the main RenCen complex into a 200-room hotel, along with 86 apartments and six condos, for a total of 92 residential units, according to Detroit City Council documents.

He could not be reached for comment.

## **Executive Office Plaza**





The Executive Office Plaza complex is located at 1200 Sixth St. in Detroit. (CoStar Group Inc.)

You might have seen the Executive Office Plaza complex exploding in the 2016 “Batman V. Superman” movie.

And if the new ownership is able to pull it off, you might be able to book a night there.

Blackacre Management LLC, run by Dalen Hanna and Maha Banno, is proposing to convert the complex at 1200 Sixth St. south of Michigan Avenue into about 350 apartments and a 114-room hotel.

The development team paid **\$5 million** for the 613,000-square-foot property in late July 2025. It includes a 21-story high-rise as well as an 11-story building, and the sale also included a large parking lot that could be redeveloped in the future as well.

Ownership could not be reached for comment.

## Hotel Fort Wayne



The Hotel Fort Wayne at 408 Temple St. was to be turned into 163 apartments. Work has not yet started after the announcement in May 2017. (Larry Peplin/Crain's Detroit Business)

For some, the former Hotel Fort Wayne at Temple and Cass is a bucket list item.

The Ilitch family, through its Olympia Development of Michigan, has long proposed a residential conversion of the 11-story building, but it remains boarded up, awaiting new life near Little Caesars Arena.

There's been little work done on the property, although it is one of the projects proposed as part of Olympia's and New York City-based Related Cos.' Transformational Brownfield Program award for the District Detroit effort.

Through a spokesperson, Olympia said, "predevelopment work is underway on a residential project."



“For over four decades, Olympia Development and its affiliates and owners have invested billions of dollars in residential, historic, retail, hospitality, entertainment and office projects that create jobs and strengthen communities throughout Detroit,” Olympia said through a spokesperson to Crain’s for this story. “That story is bigger than any single building, and it deserves to be told in full. We remain deeply committed to this city and its hardworking people.”

## Alhambra Apartments



The former Alhambra Apartments building in Detroit at 100 Temple St. near Little Caesars Arena. (Kirk Pinho)

The **Alhambra Apartments** at 100 Temple St. is long-vacant and also owned by Olympia Development of Michigan.

The Alhambra was slated to be converted into 46 residential units at the time the Ilitch family announced its District Detroit vision in July 2014.

Olympia said in its statement to Crain's that the Historic District Commission granted its approval for preliminary stabilization work.

No other details are known.

## Old Wayne County Building



The Old Wayne County Building at 600 Randolph St. (CoStar Group Inc.)

Although the Old Wayne County Building at 600 Randolph St. saw **substantial renovations** under its current ownership, it has not been able to secure a tenant or a buyer.

With 250,000 or so square feet, brokers have long viewed the building as ideal for a single user because its layout doesn't lend well to multiple tenants.



Because of that, for all its John Scott-designed splendor, it has sat vacant and unused since Wayne County moved its operations a few blocks away to the Guardian Building in 2009.

Messages sent to the owners, the Damaghi family, through their Great Neck, N.Y.-based paper products company First Quality Enterprises, were not returned. They bought it and a 120-space surface lot at 400 E. Fort St. next to the building from the county in July 2014 for \$13.4 million.

## Old Michigan Theatre Building



The old Michigan Theatre building at 220 Bagley St. downtown is owned by Dennis Kefallinos. (Kirk Pinho/Crain's Detroit Business)

The old Michigan Theatre building, once opulent, has seen better days.

Today, it is vacant, owned by landlord Dennis Kefallinos, who struck a consent agreement with the city to **repair his empire of crumbling buildings** around Detroit. The city and Kefallinos have extended the agreement deadline a few times since it was reached in February 2025. He now has until the end of 2026 to fix up more than 100 properties he owns, according to a city spokesperson.

Niko Matsamakias, a Kefallinos executive with his Detroit-based Boydell Development, said the company is exploring converting the building into a mix of office, residential or hotel space.

The theater is connected to the 13-story office building called the Michigan Building, both of which are owned by Kefallinos, who has a long track record of buying properties in Detroit and then facing local and federal lawsuits and accusations of disrepair and mismanagement.

The theater opened in the mid-1920s at Bagley and Grand River, and after closing in 1971, it was converted into a three-level parking garage more than 40 years ago.

In its heyday, the theater had more than 4,000 seats designed by Cornelius and George Rapp, according to Historic Detroit. It closed for good as a theater in June 1971, following a handful of attempts to save it.

It had a short-lived life as a concert venue, hosting acts like David Bowie, Bob Seger, Aerosmith and Rush, but was gutted in 1977 — save for the ceiling and arches — to turn it into a three-level parking garage.

A famous scene from the movie “Eight Mile” starring rapper Eminem was shot inside the theater. In May 2015, Kefallinos and his Boydell Development real estate company said it would show the 2002 biopic inside the theater, but that plan was scrapped after a city inspection.

According to Historic Detroit, the building was constructed on the site that housed the garage where Henry Ford built his first motor vehicle, the quadricycle. The garage was disassembled and relocated to Dearborn.

## Leland House





The 22-story former Leland Hotel at 400 Bagley St. opened in 1927. (CoStar Group Inc.)

This is one of the most in-limbo buildings downtown.

Long residential space for low-income tenants, the Leland House at 400 Bagley St. is currently vacant after its residents were removed after its previous ownership group filed for bankruptcy.

The federal bankruptcy judge signed off on a **\$3 million sale of the building** a few weeks ago to an ownership group with no known track record of real estate development.

Edward Gudeman, managing attorney of Royal Oak-based Gudeman & Associates PC, which represented the buyer, Mudhish Development Co. LLC, said in late April following an auction that it was “a little premature” to discuss plans, but also said the company is “probably going to pursue the plans for the building that have already been created, with appropriate modifications.”

“An enormous amount of work has been done on engineering and design and things like that,” Gudeman said in late April. “It would be inappropriate for them to recreate the wheel that’s already there.”

The previous owner, the late developer and landlord Michael Higgins, proposed a \$120 million overhaul of the complex in 2018.

## CPA Building



The CPA Building across from Michigan Central Station in Corktown on March 31, 2025. (Kirk Pinho/Crain's Detroit Business)

The CPA Building across from Michigan Central Station in Corktown has long been the subject of redevelopment chatter, but its New York-based ownership group has done virtually nothing with the property in more than a decade — save for **putting it up for sale several times at price points even its broker scoffed at.**



Various redevelopment concepts have been tossed around over the years, including residential and hotel space, among others.

The property is owned by an affiliate of Robert Zalkin's and Vivek Garipalli's New York-based Sequoia Property Partners, who did not respond to a request for comment.

## Cadillac Place



Cadillac Place, formerly home to General Motors Co. headquarters, is owned by the state of Michigan. ( Larry Peplin for Crain's Detroit Business)

Cadillac Place in Detroit's New Center area has been owned by the state of Michigan essentially since General Motors Co. left it in the mid 1990s for the Renaissance Center.

It's sparsely occupied by state workers and hasn't had a major renovation in years.

“For more than a decade, the Michigan Department of Technology, Management & Budget has maintained Cadillac Place as a state-owned asset that houses a variety of government offices and services,” said Laura Wotruba, communications director for the DTMB, in a statement. “During that time, we have focused on making smart investments in infrastructure updates and modernization to maximize building use and lower operating costs. As the New Center area continues to see growth, we remain committed to exploring opportunities that will further activate Cadillac Place and contribute to the revitalization of the neighborhood.”

## Buhl Building



The Buhl Building at 535 Griswold St. in downtown Detroit. (Kirk Plinho)

The Buhl Building, one of Detroit’s tallest, has been viewed as **a multifamily conversion for years.**

But how many floors of the 27-story high-rise that would be transformed into residential space isn’t known. Bedrock, which owns the tower at 535 Griswold St., did not comment for this story.



It opened in 1925, according to Historic Detroit. At one point, it was also the tallest in the city. In 1982, a gunman opened fire on the building's eighth floor, killing a young woman in a law office and injuring dozens of others after he firebombed the floor.

## Detroit Life Building



The Detroit Life Building at 2210 Park Ave. downtown. (CoStar Group Inc.)

This building at 2210 Park Ave. is also owned by Olympia Development of Michigan.



It was previously the subject of a \$17 million conversion effort into 32,000 square feet of office space and 6,000 square feet of ground-level retail.

It remains vacant.

In its statement, Olympia said the building is “included in our Transformational Brownfield Plan for future development.”

## Blenheim Building



The Blenheim Building at 81 W. Columbia Street sits at the corner of the pedestrian gateway along Columbia near the Fox Theatre in downtown Detroit. (Olympia Development of Michigan)

The Blenheim Building at 81 W. Columbia St., also near the Fox Theatre, has long been discussed as a redevelopment play.

The Ilitch family's Olympia Development of Michigan, which owns the building, put out a request for proposals more than two years ago to redevelop it as part of its



District Detroit efforts.

The building has about 17,500 square feet and originally had 19 apartments. It is being eyed for residential or hotel space, or retail. A developer has not yet been publicly named.

## Park Avenue Building



The Park Avenue Building at 2001 Park Ave. overlooking Grand Circus Park. (CoStar Group Inc.)

A Novi-based homebuilder has long worked on a conversion of the Park Avenue Building at 2001 Park Ave. into residential space.

Rino Soave, however, **ran into the COVID-19 buzzsaw** and although significant work has taken place, the 12-story building remains vacant.

If all goes according to his plan moving forward, Soave will redevelop the building into a 107-room independent boutique hotel.



When he bought the building just prior to the pandemic, it was in rough shape, he said.

“We proceeded with a lot of life safety measures, new windows, a new roof because her roof was in bad shape, limited demolition and asbestos abatement, getting it to the point where it was safe to walk through,” Soave said. “It was a disaster.”

Construction could resume in the first or second quarter next year, he said, with a hotel opening in 2029.

## Park Avenue House



The Park Avenue House building at 2305 Park Ave. is the target of a new \$60 million proposal to convert it into a hotel, this time with 175 rooms. (CoStar Group Inc.)

The **Park Avenue House building** near the Fox Theatre has cycled through ownership groups in recent years, most of which have proposed hotel reuse.

However, to date, nothing has come to fruition.



Toward the tail end of 2025, the Downtown Development Authority signed off on a \$10 million loan to help turn the 13-story, Louis Kamper-designed building into a 175-room hotel.

That project was to be undertaken by Walters Group and the Roxbury Group, although Roxbury backed away from that project for unknown reasons.

Matt Walters, who leads Walters Group, said construction should start in the first quarter next year.

## **Standard Accident Insurance Co. building**



The building at 640 Temple St. just west of the Masonic Temple was built in 1921. (CoStar Group Inc.)

This building, formerly owned by Wayne County, has been owned for close to a decade by investor Christos Moisides, who started work on converting it into a hotel and apartments.

However, it's been more than five years since work of any serious consequence has taken place at the building, which is at 640 Temple St. near Cass Technical High School and the Masonic Temple.



Moisides did not return a request for comment.

Two years ago, Moisides told Crain's that he was working to buy out the Valade family from its ownership interests in the deal, which became entangled in lawsuits tied to a former attorney for the late Carhartt Inc. heiress Gretchen Valade.

Moisides said in the summer of 2024 that interior demolition, abatement and remediation have been completed, along with installation of new water, gas and electrical taps. As of 2024, six of the eight floors have been framed out with metal studs in place and equipment for new and remodeled elevators was purchased, as well, Moisides said.

It's not known when that work was completed.

As of 2024, remaining work included framing the first floor and eighth-floor penthouse, as well as installing drywall on all eight floors. Food and beverage space, along with furniture, finishings and equipment needed to be installed, among other things like mechanical, electrical and plumbing work.

At that time, the vision was for 101 hotel rooms and 64 apartments. The plan also included a 225-seat ballroom, two restaurants, a spa, lounge and rooftop pool.

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