

## JOHN MARSHALL CONVERSION FINALLY BEGINS

APRIL 23, 2010 BY AARON KREMER

After years of hype and a decade of false starts, construction has started on a \$66 million renovation of the iconic Hotel John Marshall. Crews are assembling the fence around the site, and demolition workers are taking out the old furniture.

Demolition will take between nine months and a year, according to a laborer at the site who also said the building will need to have asbestos removed.

Dominion Realty Partners, the developer, said it will put in 238 apartments and 20,000 square feet of retail space. The building will be called the Residences at John Marshall, and there is a sleek website. (Warning: It's heavy on hyperbolic marketing-speak.)



Dominion Realty Partners, which also developed Vistas on the James and Riverfront Plaza, filed plans with the City in May 2009. But there was no financing until HUD agreed to lend \$40 million. The project will also rely on revenue from the sale of historic tax credits.

Close followers of local apartment real estate said that although condos and apartments at nearby buildings have been slow to lease or sell, the project is of such a magnitude and in such a well-known building that it should thrive. It's also close to MCV, which could draw medical students and other young professionals.

“There has been a strong push for apartments that’s generated by VCU demand,” said Birck Turnbull, a broker with Thalhimer.