

Healey departs as Buck makes exec moves

By Ryan Ori July 10, 2012

(Crain's) — **John Buck Co.** is shuffling its executive team as it looks to boost its fundraising efforts.

The Chicago-based developer said Lori Healey, following her stint running the city's NATO summit committee, **will leave her job** as principal at John Buck but remain on the board of directors. Ms. Healey is leaving to become CEO of Tur Partners, the newly formed investment firm of former mayor Richard M. Daley.

Meanwhile, John Buck brought in Richard Lindsay to co-head development along with Rafael Carreira. Mr. Lindsay, 50, had been program director for John Buck International in Abu Dhabi. Before that, he was senior vice president and managing director for Kerzner International Development in Dubai.

Mr. Lindsay's global development experience includes the Palm's "Atlantis" in Dubai, as well as work on John Buck's joint venture with Abu Dhabi state-owned fund Mubadala Development Co.

The personnel moves were first reported by the Chicago Tribune.

John Buck also said it has formed an alliance with Stephen A. Smith, founder of Chicago-based GlenArbor Partners Inc., to assist in fundraising on a consulting basis.

Known most for its Wacker Drive office towers, **John Buck has lost several key executives** in recent years as it weathered the commercial real estate slump and grapples with a succession plan.

That has hurt the firm's fundraising. Although two of Buck's first three funds ranked in the top quartile of real estate investment funds tracked by London-based Preqin Ltd., and the third in the second quartile, the firm has struggled to raise money for its fourth fund. The fund will close next week at \$90 million, well shy of the \$350 million to \$500 million the firm intended to raise.

"In a fundraising environment like today, people are looking for reasons not to invest," says Blake Johnson, a principal who heads the funds along with Charles Beaver. "When there's turnover, you go into the penalty box. Our first two funds returned over 200 percent, but you have to prove yourself over and over again."

Industry publication Real Estate Alert says one-third of the 160 real estate funds that have closed since the start of 2010 have fallen short of their initial equity targets, with at least 60 more funds set aside or canceled during that time.

"It's still a challenging environment to raise a value-add fund," Mr. Johnson says. "Many investors still prefer core. While we didn't hit our targets, we're still happy to be out there investing right now. You can still do a lot with a \$90 million fund."

Before forming GlenArbor, Mr. Smith was principal and chief operating officer of Bryanston Realty Partners LLC, also based in Chicago. Mr. Smith also was managing director of LaSalle Investment Management and an international director of its parent company, Chicago-based Jones Lang LaSalle Inc., from 1996 to 2004.

"Steve's a well-regarded industry veteran," Mr. Johnson says. "He's raised billions of dollars in his career."

Jack Buck, a principal who has landed projects with the Virgin Hotel and Yotel brands, and the son of company founder John Buck, will continue to focus on business development, according to a news release.