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'It doesn't look like we were in a pandemic'

Is there demand for high-end, urban living post-COVID?
Boston condo developers say not much has changed

By Anissa Gardizy
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Just a few short months ago, the streets of Downtown Crossing and Chinatown were eerily empty. The pandemic raged. And the future of fancy condo buildings in downtown Boston was an open question.

But to Jonathan Landau, chief executive of Fortis Property Group, the timing couldn't be better to start selling luxury condos overlooking Boston Common in a glassy new building on Lagrange Street.

From low interest rates to a reopened economy, Landau sees many reasons to be optimistic about The Parker, as his 146-unit building is called, and the downtown condo market in general. Indeed, Landau predicts the Boston condo market will emerge almost unscathed from the pan-



Top, a unit under construction at The Parker (above), a luxury condo building on Lagrange Street with units overlooking Boston Common.

dem, which delayed construction, put the city in a lockdown, and sent downtown employees into a remote world from which some predicted they'd never return.

"We are sitting at the perfect place in time," said Landau.

Time will tell. The building, among the first new ones to launch sales since COVID eased, could serve as a test case of demand for high-end living in post-pandemic downtown. Landau has already made his bet, deciding earlier this year to market The Parker as for-sale condos, though it was originally approved by the city as a rental building. Around the same time Fortis made that decision, it closed on \$101.5 million in financing, according to Suffolk County property records. (The group declined to share the project's total cost.) Now they're listing at prices ranging

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Condo sellers say they see strong demand

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from \$600,000 to more than \$3 million.

His sales manager, veteran Boston broker Kevin Ahearn, who now leads Douglas Elliman's Massachusetts division, shares that optimism, noting that more than 2,000 condo sales have already closed this year. That's a 71 percent jump from the same period last year, and higher than 2019. It's shaping up to be one of the strongest years in two decades.

"It doesn't look like we were in a pandemic," Ahearn said.

He thinks that condos in Boston will continue to sell at a rapid clip and that buyers at The Parker will be the same groups the development was aiming to attract when it launched the project five years ago: young urban professionals and suburban empty nesters looking for a smaller second home, perhaps closer to where they work.

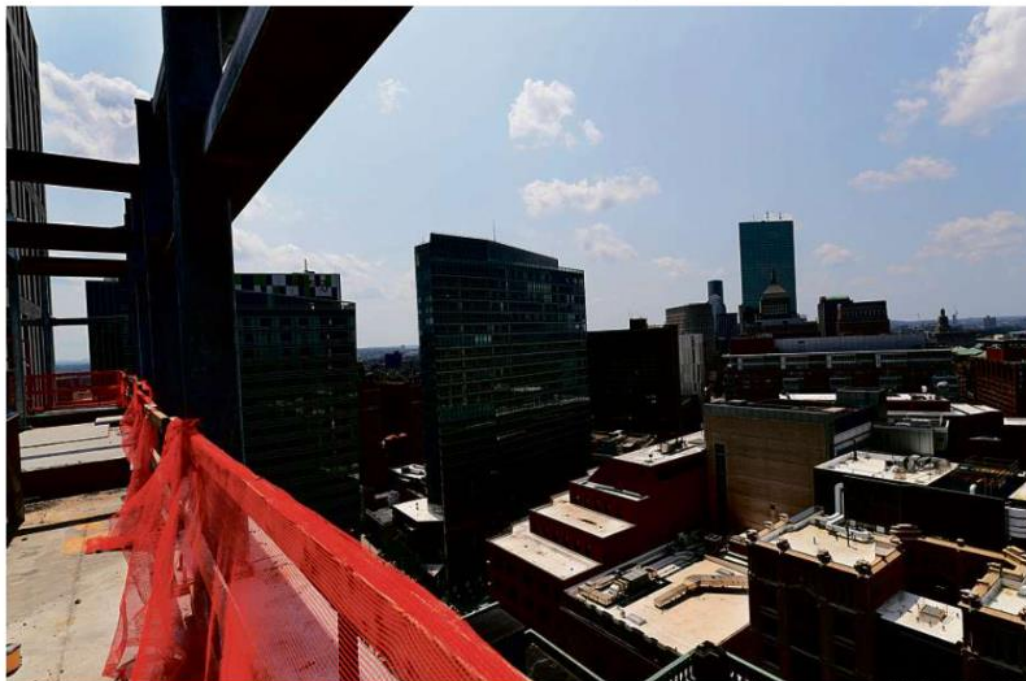
"Everybody was talking about different opinions about what would happen when people had the option to work remotely, . . . but I live downtown, . . . and it is filling up pretty dramatically," Ahearn said. "We're in cruise control right now."

Sue Hawkes, whose Boston firm, The Collaborative Companies, markets many new condo developments, said she's seeing the usual suspects hunting for condos downtown, even the young people who were thought to have fled cities when COVID-19 hit.

"Young people didn't leave permanently, they just took a hiatus . . . and moved back to their parents' house for a while or rented in the suburbs because they could work from home," she said. "They are coming back and purchasing."

A few miles away in the Seaport District, there's a similar feeling of optimism from Alexander Shing. He runs Cottonwood Group, the California-based developer of Echelon Seaport, a massive condo complex that began selling before the pandemic. He said the nearly 450 units across two buildings are now more than 75 percent sold, and a neighboring apartment building has filled quickly as well.

Amazon's Seaport expansion,



SUZANNE KRITTER/GLOBE STAFF

The rooftop and view from The Parker condo building, under construction on Lagrange Street.

which will place 3,000 tech employees basically across the street from Echelon, is an added bonus.

Besides the period of time when the sales team couldn't host in-person tours, Shing said, he doesn't think the condo market dipped during COVID. A handful of residents purchased condos last year that they only saw via FaceTime, he said.

Supply is tight, said Hawkes, a product of the pandemic and construction delays that pushed back new development. At the current pace of sales, everything on the market would sell in less than two months, according to Douglas Elliman; in June of 2020 there was four months of supply.

For the buyer, limited supply means higher prices, Hawkes said.

But for many, that isn't a dealbreaker, said Deborah Hauser, executive director of residential brokerage at Boston-based Senné. The industries fueling job growth in Boston — life sciences, technology — pay well. Empty nesters are selling suburban homes for sums that have climbed even faster. Young professionals who spent last year living with their parents may have a little more money to spend.

And these new buildings, Shing notes, have built-in bells and whistles that may fit with people's "post-pandemic values": access to outdoor spaces, fitness centers, recreational space, and places where

they can plop down with a laptop and work. Those features were part of Echelon's design, Shing said, and now they are even more sought after.

Sometimes that just means modest tweaks, Hawkes said, or even just new terminology. Conference rooms are "Zoom rooms," and co-working areas are "work pods." Hauser said she's seeing more dog grooming rooms for the wave of people that bought puppies during the pandemic, as well as more bike rooms that have tools like tire pumps on hand.

Indeed, beyond the flip from rental to condo, The Parker made no radical changes to meet the post-pandemic world. Landau said his

group looked at the amenities it already planned to offer and thought, "OK, could people work there if they wanted to?" He sees why the building's private movie theater and outdoor rooftop deck would be desirable during another potential pandemic lockdown, but he said they weren't born out of the last one. The fundamental appeal of downtown Boston, he said, hasn't really changed.

"We think that — because we are in the middle of it — this is the way we are going to live forever," Landau said. "Probably not the case."

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