

## Developers seek new hot 'hood with The Modern

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The developers at New Boston Ventures are known for taking a gamble on neighborhoods that haven't yet become the next hot address. With The Modern, a 25-unit condominium project on Northampton Street, they're hoping to duplicate past successes by extending the enthusiasm for residential life in the South End to a new part of the city.

While it's early in the project's life -- construction work is just getting under way at the 255 Northampton St. site and opening is scheduled for summer of 2007 -- the reception so far shows New Boston may have made another smart bet.

More than 40 percent of the units are now under agreement, said Ricardo Rodriguez, who is marketing the project for **Coldwell Banker Residential Brokerage**. Rodriguez believes location is a big reason, with the building just two blocks from two MBTA stations, Northeastern University and Tremont Street restaurants.

"We didn't really appreciate what a good location we had until we got down here and started to work on the site," said Rodriguez.

Another reason for the early sales is undoubtedly price. The Modern was designed to be affordable to the "mid- and entry-level markets," said David Goldman, a principal with New Boston, which partnered with Peter Georganas on the project. Some of the units will sell in the upper \$300,000 range.

"The city's done a good job of providing affordable housing for those who qualify, and the high-end market takes care of itself," he said. "The real need is in the middle."

The development may also be benefiting from good timing, with higher-end sales seen slowing the most amid rising interest rates and because of a relatively high inventory of new units that have been built in recent years. "The midmarket has remained strong," Rodriguez said.

According to the Boston Real Estate Market Report compiled by real estate agent Elad Bushari, the South End performed better than the overall Boston condo market in the first quarter, with average sales prices rising 7 percent to just over \$600,000. South End condos did stay on the market longer than the year before on average, he noted.

Figuring out how to build a project to meet that market and still come out with a profit was a challenge. In fact, the original design, which called for subsurface parking to be built, was scrapped in favor of one with parking at ground level and condos starting above. That meant taking out about two feet of ceiling height in the other floors to retain the same building height.

"Making the numbers work meant taking a long, hard look at it from a value engineering point of view," Goldman said.

The developers also decided to invest in a name-brand designer, hiring Dennis Duffy -- whose portfolio includes Manny Ramirez's Ritz-Carlton Towers penthouse -- to design common spaces, bathrooms and kitchens at the project. CBA Landscape Architects is also involved with the project, working on a "Zen roof garden."

"People don't expect to get interiors from a top designer when they spend \$400,000 or \$500,000 -- it's something you see in the top-end properties," Goldman said. "It's a major investment for us, but it brings an added excitement to the property."

The overall design of the building is meant to be "sleek and modern," added Rodriguez. "It's the feel people want in a loft building."

Goldman said New Boston has been given indications from the Boston Redevelopment Authority that it will be awarded the right to develop a piece of land adjacent to the Modern, where another 37 units will be possible.

Early sales may be an indication that the firm's theory about overlooked neighborhoods applies on Northampton Street, and that buyers are willing to stake a claim on a neighborhood's future rather focusing on its past or its current state.

"At the time when we did Dover Lofts, it was located between JJ Foley's bar and the Pine Street Inn," said Goldman. Since then, a slew of additional condo projects have sprung up in the area. "Northampton has a lot of the same elements. In terms of proximity to the rest of the Boston, there's just not that many opportunities left where properties haven't been developed already."