

| EXECUTIVE PROFILE |

Curtis Kemeny

Gateway to a development challenge

After taking over a family-run real estate portfolio, Kemeny is now trying to create a neighborhood

BY TOM WITKOWSKI
JOURNAL STAFF

Curtis Kemeny needed his mother's permission for his first job in real estate. In the summer of 1974, she allowed the 12-year-old to join his stepfather, Paul Boyd, working weekends in property management for the Niles Co.

"I would go to the site and carry the tools for carpenters and steam wallpaper off the walls in apartments, sweep and clean up at the end of the day, and eat peanut butter and jelly sandwiches out of my Flintstones lunch box with the guys," said Kemeny, now 42.

Kemeny started professionally in the real estate business in 1984 after college, as a project manager. The market soured in the late 1980s, and Kemeny sought refuge at Harvard Business School. That started him in a 14-year career as a management consultant and prompted moves to New York City and Los Angeles. Kemeny returned to Boston, and real estate, 18 months ago, taking over management of his and another family's property holdings. His company, Boston Residential Group LLC, has also bought 360 Newbury St., better known for the Virgin Records store on the first three floors, and is converting that building to luxury condominiums. BRG



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KEMENY: Developer stages debut with high-visibility projects

also recently offered the sole proposal for parcels of land between South Station and Chinatown, putting forward a plan for the 3.1 million-square-foot, mixed-use Gateway Center. It's the largest project in his family's history in real estate.

Returning to Boston and buying 360 Newbury St., Kemeny came full circle in his career. In his first job, he worked for developer Richard Cohen, now head of Capital Properties LLC in New York City. Cohen is the developer who renovated 360 Newbury St. in 1987, bringing in architect Frank Gehry before he earned modern-day popicon status. Kemeny was also involved in the construction of high-end condo complex The Esplanade in Cambridge and the conversion of Brook House in Brookline to condos.

While Kemeny kept his fingers in the real estate business, through his family or buying and renovating houses himself, business school introduced him to the corporate world. "It gave me a much broader perspective on business issues, how to run a business more effectively," he said. At Boston Consulting Group, where he worked after business school, he worked mostly with health care companies.

While Kemeny was a consultant, his stepfather started his own property-management business, Boyd-Smith Inc., which developed, and later managed, Church Park in Boston. Boyd began to encourage Kemeny to return to Boston and the family business. In recent years, the timing was right, as family friend, Thomas Niles, who had split from the Niles Co., and managed his own real estate portfolio, was also planning to retire. Kemeny took over Niles' and Boyd's holdings, creating BRG

FROM THE FILE

Title: President, Boston Residential Group LLC

Age: 42

Education: Bachelor's degree in government, Dartmouth College, 1984; MBA, Harvard Business School, 1989

Quote: "This is an opportunity to create a neighborhood in Boston."

to manage them and ratchet up the family development business. Niles remains a senior adviser to the company.

BRG owns or manages 1,100 apartments around Boston. The company is also converting a Weston apartment complex, formerly Jericho Village, into condominiums known as Stonegate at Weston.

By far the most significant growth planned for Boston Residential Group is Gateway Center. South Bay Partners LLC, which Kemeny is heading, was the only group to answer the Massachusetts Turnpike Authority's request for proposals for four parcels near South Station. The developer has yet to be designated.

Gateway Center would include 1,700 units of housing, 577,000 square feet of commercial space, 2,000 parking spaces and 200,000 square feet of open space and parks. The project includes a 67-story, 800-foot tower, a Chinatown branch library and a supermarket.

Boston attorney Larry DiCara, who worked with Kemeny on the recent purchase of 360 Newbury St., encouraged Kemeny to go for the South Bay project.

"I represent many people that had bank accounts," said DiCara, a senior partner at Nixon Peabody LLP and former Boston city councilor. "But not the good instinct and people without two nickels to rub together and good instinct. He has the whole package," said DiCara.

Gateway Center is hundreds of millions of dollars larger than anything he has done before, but Kemeny believes he has the financial network to find backing. Three things attracted him to the site, he said.

"One is the size of it. I would like for us to be a participant and leader in large-scale deals. Secondly is the complexity of it. I am a problem-solver by nature. The third thing is the impact. This is an opportunity to create a neighborhood in Boston," he said. Kemeny is taking a financial risk in seeking a designation, said John Moriarty, president of general contracting firm John Moriarty & Associates of Winchester, whose firm is working on the 360 Newbury St. conversion.

"He's willing to put his own money at risk. That differentiates people," said Moriarty.

The project has far to go, though. The approval process could take several years, and the construction another decade.

"It's a pretty big dream, but there's a moment here where it's the right project, the right team, the right political climate. With a dose of pragmatism we can get something done there," Kemeny said. "The challenge here is taking the dream and making it a business reality."

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