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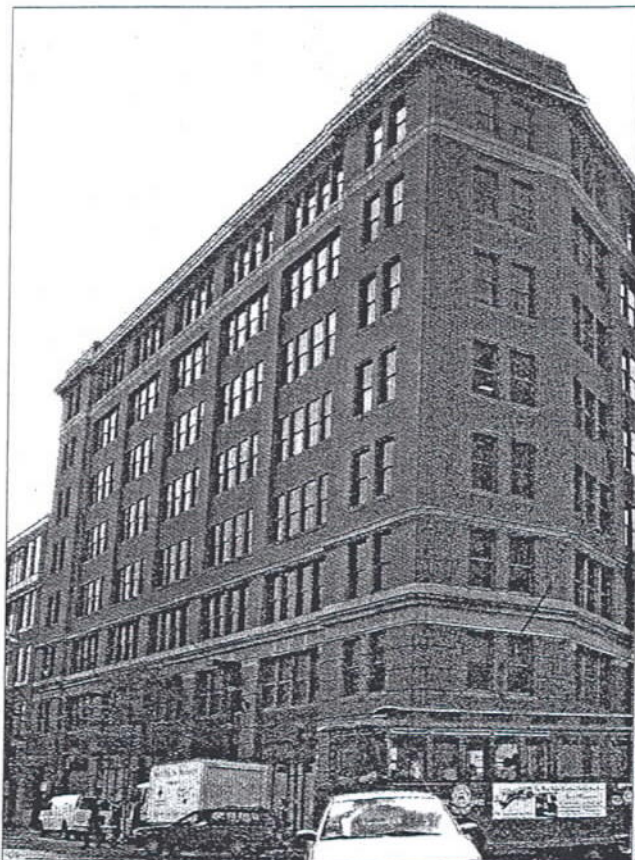
Condos Slated For Red Cross

by **Thomas Grillo**
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The eight-story Red Cross headquarters on Columbus Avenue is about to be transformed into luxury condominiums amid a cooling downtown condo market where inventory is soaring.

Last week, the Boston Residential Group (BRG) purchased 285 Columbus Avenue for \$17.2 million. The privately held real estate development and management company plans to make over the 106,000-square-foot building into 65 luxury condominium units with first-floor retail.

The property is the latest office building to trade its desks and chairs for granite countertops, stainless steel appliances and bamboo floors. Two of the largest offices-to-condo conversions are underway at the Virgin Records building at 360 Newbury Street, a BRG project, and at 441 Stuart Street.



The Red Cross headquarters at 285 Columbus Avenue

BRG's Columbus Avenue project comes as a number of South End condo developments are planned or under construction including Penmark, James Court, Marais, ArtBlock, SoHa Lofts and 700 Harrison Avenue.

In addition, a handful of other projects are being marketed in the seaport section of the city, such as the Macallen Building, 25 Channel Center and Battery Wharf on the waterfront.

Despite hundreds of upscale units in the pipeline, Curtis Kemeny, BRG's president, is bullish on the downtown condo market. He insists that the real estate conditions are excellent and growth will continue.

"The market will grow at a lesser rate than it's been growing but still at an attractive rate for the foreseeable future," he said. "If you offer a high quality product people will buy."

Kemeny said his building's location, adjacent to the Back Bay MBTA station, meets the criteria of transit-oriented development and will lure buyers.

"The 285 Columbus Avenue property is in a prime location at the intersection of the Back Bay and South End and with the addition of Columbus Center, this area will be one of Boston's most dynamic neighborhoods," he said. "In addition to its ideal location, the units will also provide spacious loft-style units and superb views."

The development must receive Boston Redevelopment Authority approval and is expected to be completed in 2007.

David Stenberg, senior vice-president at Hammond Residential, said while there is a huge demand for residential real estate in Boston, buyers have more leverage today.

"I won't call it a buyers' market. This is not 1990 when prices fell after enormous appreciation over three years and banks failed. That's not happening now," he said. "Is it more difficult today than it was a year ago to identify price and value?"

Possibly. That's because there are fewer buyers compared to last year."

Citywide, sales are down by 12 percent this year compared to a year ago, inventory is up by 70 percent and prices have moderated slightly, according to the Listing Information Network (LINK), a Boston-based firm that tracks condominium listings and sales.

"It's more of a pricing game," said Debra Taylor Blair, LINK's president and owner. "Overpriced units won't sell. Sellers need to be realistic when they price their homes and make sure they are based on the latest comparables."