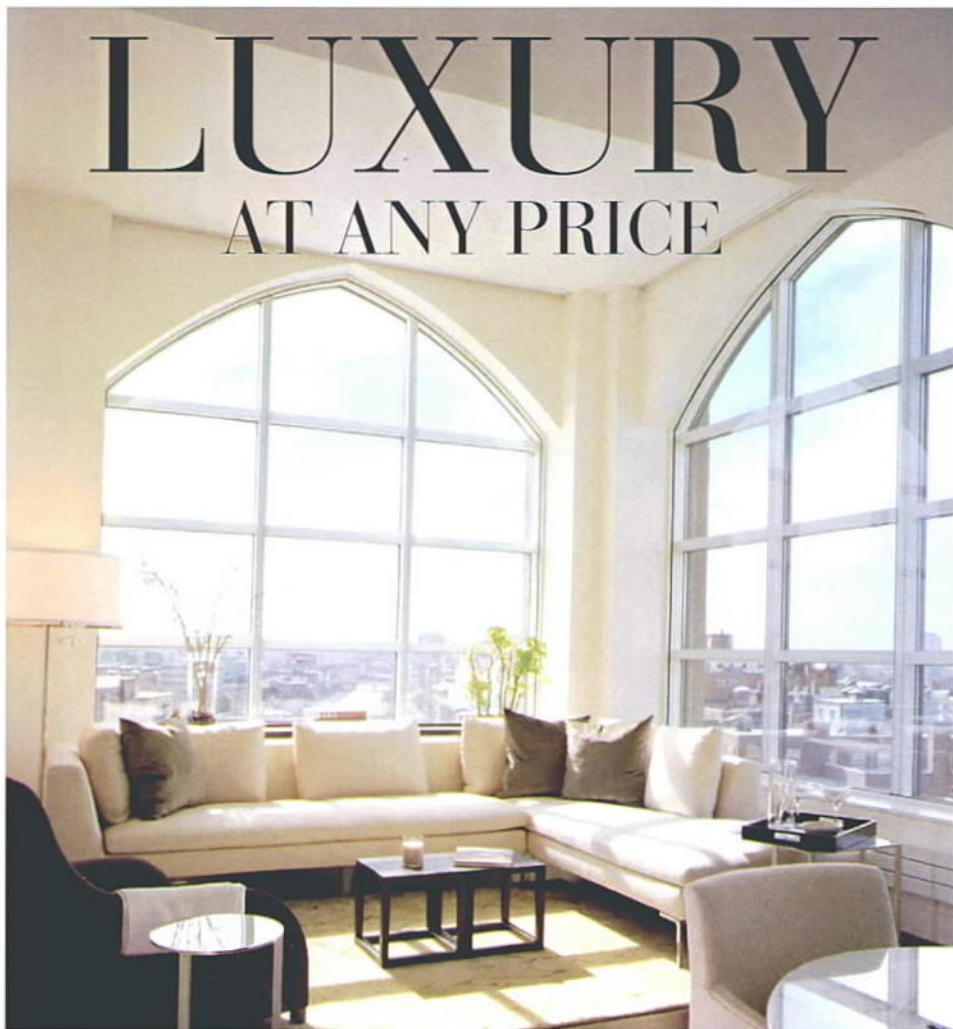


LUXURY AT ANY PRICE



PHOTO/LUCY CHEN

Buyers want some pretty classy bang for their buck, and builders oblige

By Gail Ravgiala
GLOBE STAFF

You're driving down a street in a working-class neighborhood in, say, Dorchester, or Malden, or Brockton, and you see a sign advertising "Luxury Condominiums" hanging from a rehabbed three-decker. Wait. Isn't that the same sales pitch you saw in an ad for multimillion-dollar condos in downtown Boston?

In a real estate market where a starter condo is selling for \$400,000, and, judging by for-sale signs and real estate ads, there is nothing *but* luxury housing for sale, what then, is the real meaning of luxury living?

In multimillion-dollar, custom suburban houses that sprawl for thousands of square feet, it means a home theater with a cinema-size screen and stadium-style seating, a wine cellar (with tasting room), a gourmet family kitchen and a caterer's kitchen, a pool, a fully equipped gym, and — the latest trends — a putting green and indoor basketball court.

Makes a three-car garage and master bath with a heated marble floor seem pretty pedestrian.

Fueling the appetite for the unnecessary-but-nice are increasingly savvy consumers who are not ready to acquiesce to unprecedented real estate prices without getting some pretty classy bang for their buck.

"Expectation is rising," says Kevin Ahearn of Otis & Ahearn Inc., real estate brokers who are marketing several condominium projects in and around Boston including Parris Landing at the Navy Yard in Charlestown and Residences at The Intercontinental, a new hotel and condominium complex near the Federal Reserve building. "Now at \$350,000 and \$400,000, people expect to see luxury—high-end appliances, stone counters, hardwood floors—whereas in the past that expectation was at \$500,000-plus."

The market has responded. Luxury might be the most overused word in a broker's lexicon, but today it is rarely a euphemism for exaggeration. In the last three to five years, real estate agents and developers say, consumer demand for more and higher-quality amenities has raised standards at all price points.

"This is definitely the result of market demand," says Michael McGuire of Insight Realty Group in Roslindale, listing broker for Glenwood Avenue Townhouses, a newly built 19-unit condominium project in an industrial area of Hyde Park.

The three-bedroom, 1,850-square-foot condominiums are selling for \$379,000 and attracting first-time buyers—often single professionals or young families—and empty nesters. Developer Dave Flynn of FRM Builders LLC in Roslindale says there was no question as to the standard features he would include.

Each unit has hardwood flooring; a center-island kitchen with solid maple cabinetry, granite countertops, and GE Professional Series stainless steel appliances; a sleek gas fireplace in the living room; a private third-floor master suite with walk-in closet; and, on the second floor, along with two bedrooms and a bath, a 6-by-6-foot laundry room. Less visual amenities include a central alarm system, three-zone high-efficiency heating and air conditioning on separate systems for better performance central vacuum, and wiring for cable and broadband in every room.

Three years ago, Flynn built similar town houses, without the extras, just down the street. At the time, they were considered top-of-the-line among the same types of buyers Glenwood is attracting. But says Flynn, "I couldn't do that today." To outpace the competition, "I needed to give the buyers back some value."

That same principle applied when Chris Walsh, owner of Boston Realty Development, decided to renovate a three-decker at 425 East 6th St. in South Boston. Located near Dorchester Heights and Thomas Park, the highest point in Southie, the building, which had been owned by the same family for 90 years, has a commanding view of



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Above and top right: A condo in a triple-decker in South Boston features a mahogany mantle and built-ins in the living room and a steam shower in the master bath. Below left and right: A condo at 16 Glenwood Ave. in Hyde Park features a kitchen with maple cabinetry, granite countertops, and GE Professional Series stainless steel appliances.



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Dorchester Bay. Remake the once working-class apartments into open floor plan condos with lots of amenities—including gourmet kitchens, steam baths, and garage parking—Walsh reasoned, and at \$839,000 to \$899,000 they would be stiff competition for condos in the South End, Charlestown, or Back Bay.

"Quality of craftsmanship is the key element," says Walsh, pointing to the floor-to-ceiling mahogany wall (designed to complement the mahogany cabinets in the kitchen) that frames the granite-trimmed fireplace in the top-floor living room. Consumers, he says, notice details.

But at the next level of the condo market, luxury has come to mean more than top-of-the-line appointments and finishes. At the Mandarin Oriental, a hotel with 50 condos to be built on Boylston Street, the 2,000- to 6,000-square-foot units start at \$2 million and come with lots of personalized service as well as great views of the Charles River. It is the hotel-style valet parking, health spa, and full-service concierge that set such homes apart.

And all of that comes with a substantial price above the cost of the real estate. While annual condo fees for the Mandarin Oriental have not been set, comparable full-service hotel-residence complexes have said they expect to charge as much as \$10 per square foot.

For many city dwellers, luxury is some-



GLOBE STAFF PHOTO/PATRICIA MCDONNELL

thing even less tangible than the services of a doorman, however.

"It's the cool factor," says Curtis R. Kemeny, president of Boston Residential Group, developers of 360 Newbury Street, the 1920s Art Deco building redesigned in the 1980s by architect Frank Gehry. Now anchored by Virgin Megastore, the rest of the building is being converted from office space into 54 condos ranging in size from 800 to 3,300 square feet, and in price from \$500,000 to \$3 million.

The building alone has the architectural panache and vanguard location to qualify as cool, but the loft-style units with 12-foot-high ceilings add to the mystique.

Gary Tulman, 33, a real estate broker with Back Bay Residential Properties, bought a fifth-floor, one-bedroom as soon as preconstruction units were offered.

"There is an edge to this building," he says. "And this end of Back Bay is considered up-and-coming."

He and fellow buyers like that views to the west take in Fenway Park and the Massachusetts Turnpike, and, to the north, the Charles River and a brick garage. It's the urban vibe, if not the noise level, that gives them pleasure and comfort.

Gail Ravgiala can be reached at ravgiala@globe.com.