

MANSION



Jen Stone and David Muller
‘I remember when you just didn’t go to this neighborhood,’ says Dr. Muller, 65. He owns a \$2.99 million penthouse in Millennium Place, on Washington Street, Boston, left, yet a lack of stores in the area means his fiancée buys groceries near her work—two hours away. Still, the luxury-condo building sold out its 256 units four months after it opened.



Map 1. 45 Province 2. Millennium Tower 3. Grandview Boston 4. Millennium Place 5. Ritz-Carlton Boston Common 6. Archstone Boston Common 7. The Kensington



Downtown Crossing Crosses Over

The heart of Boston used to be known as ‘the Combat Zone,’ but new high-rise developments like the 15-story Millennium Place are transforming the neighborhood

BY SANETTE TANAKA

IT IS ONLY a seven-minute commute by foot from Boston’s Downtown Crossing to the office of Ben Howe, co-founder and CEO of investment-banking firm AGC Partners, in the Financial District. But until recently, Mr. Howe wouldn’t have considered living in the neighborhood, which over the years has been nicknamed the Combat Zone and the Red-Light District.

“Not that it was a danger zone, but there weren’t enough bars and restaurants to make it a fun place to live,” says Mr. Howe, 54 years old.

A surge of new luxury developments in the area helped change his perception. In February, he bought a three-bedroom apartment for \$1.62 million in Millennium Place, a 15-story condo building in Downtown Crossing. The building sold out four months after its opening in October, with sales ranging from \$550,000 to \$3.35 million.

For its next project, the company behind the development, New York-based Millennium Partners, is transforming a blockwide abandoned construction site into Millennium Tower. The complex will consist of an eight-story office and retail building carved from the historic Burnham Building that once housed Filene’s store, and a 60-story retail-residential building. The Burnham is set to open this year and the tower will open to residents in 2016.

Several other high-end residential buildings have opened in the area in recent years, including 45 Province, a luxury-condo building, and the Grandview Boston, a boutique building with sales and rentals overlooking Boston Common.

The new wave of development is transforming the landscape of Downtown Crossing. The neighborhood’s population increased 44% from 2000 to 2010, compared with a 4.8% rise in Boston’s total population, says the Boston Redevelopment Authority.

Tom Herzfeld, chairman and president of Miami Beach-based Thomas J. Herzfeld Advisors, rode that wave. He and his wife, Rutli, bought a three-bedroom penthouse in Millennium Place for \$3.265 million in February. They live in a triplex penthouse in Miami Beach and wanted a full-service building in Boston for weekends and summers.

“That concierge, full-service style is very new to Boston,” says their daughter Brigitta, 35, who lives in the suburbs and works for her father’s investment company. She plans to use the penthouse for work during the week.

Amenities at Millennium Place include a lounge, a 16-seat theater, a mind/body studio with a masseuse, and a program called La Vie that arranges talks, fire-side chats and other activities in common spaces, as well as excursions, so residents can mingle. The units are finished with ivory oak and eastern white mar-

ble floors, and granite counters.

David Muller, CEO of medical device and pharmaceutical company Avedro and founder of Summit Technology, which developed Lasik eye surgery, likens the building to a “gated community,” and sees that as a benefit. “I remember when you just didn’t go to this neighborhood. People were getting beaten up on the streets, that kind of thing,” says Dr. Muller, 65. His previous homes were a 5,000-square-foot townhouse on Beacon Hill, then a rental in Back Bay—traditional bastions of luxury living in Boston.

In December, he bought a two-story penthouse in Millennium Place for \$2.99 million. “Here you’re in the part of the city that really is the city,” he says. “This view could be like a view in New York.”

Brian Sirman, a lecturer at Boston University who studies local history and architecture, says the area was once known as Four Corners but was re-branded as Downtown Crossing by city officials in the 1970s in an effort to modernize its image. It had started as an affluent neighborhood, but turned commercial after the Great Boston Fire of 1872. In the 1950s, many retail stores closed, and sex shops and clubs moved in. In the following decades, Boston tried a host of projects to lure residents to the area. One of the more promising—Lafayette Place, a shopping mall that opened in the early 1980s—closed in less than a decade, Prof. Sirman says.

Millennium Partners entered the area in 2001, with its 40-story condo-hotel Ritz-Carlton Boston Common. The project took five years to sell out in an otherwise booming market, but it had laid the groundwork. “The game-changer was the Ritz,” says Andrew Grace, deputy director of business development at the authority. “That brought cachet and a sense that the Combat Zone was gone and that this is a destination.” A push to live downtown, fueled by young people and empty-nesters, also helped transform the area.

The area still doesn’t exude luxury with its empty storefronts, construction noise, and the fact that commuters and passersby outnumber residents. More important, grocery stores, dry cleaners and other neighborhood comforts are absent. Dr. Muller’s fiancée, Jen Stone, buys groceries near her job in Hadley—two hours away.

Millennium Partners is luring businesses to their towers, including a Loews Theater, a Legal Crossing restaurant and a Caffè Nero. The big catch: Roche Bros. supermarkets in 2015.

The company’s three projects total more than 1,000 luxury units and about \$1.5 billion in investments, says Philip E. Aarons, founding partner of Millennium Partners. Still, he says he doesn’t want the area to totally lose its flavor. “We don’t see ourselves as gentrifiers as all,” he says. “We see ourselves as taking abandoned or vacant sites.”






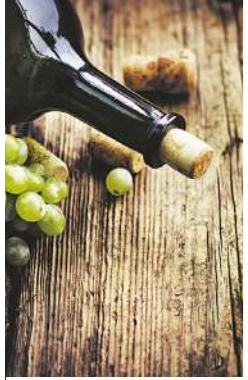
Ben Howe The 54-year-old co-founder of an investment firm once felt the area didn’t have ‘enough bars and restaurants to make it a fun place to live.’ Today, he owns a \$1.62 million three-bedroom in the tower.



Brigitta Herzfeld Is using the \$3.265 million penthouse owned by her parents for her work on weekdays at the family firm. ‘That concierge, full-service style is very new to Boston,’ says Ms. Herzfeld, 35. Her parents live in Miami Beach.



THE FINE ART OF FINE LIVING



AT BERKSHIRE HATHAWAY HOMESERVICES, LUXURY IS NOT A CHOICE. IT IS AN EXPECTATION.

With our expertise in the more rarefied echelons of real estate, we have access to properties that rise above the rest - and the acumen to bring them to your doorstep.

For more information visit berkshirehathawayhs.com

BERKSHIRE HATHAWAY
HomeServices

LUXURY
*Collection*SM

©2014 BHH Affiliates, LLC. Real Estate Brokerage Services are offered through the network member franchisees of BHH Affiliates, LLC. Most franchisees are independently owned and operated. Berkshire Hathaway HomeServices and the Berkshire Hathaway HomeServices symbol are registered service marks of HomeServices of America, Inc.* Equal Housing Opportunity. 