

# UNIQUE HOMES

THE WORLD OF LUXURY REAL ESTATE

From June 2006

## **Bullish on Boston**

By William Wichert

The time is now for luxury home buyers to catch lower prices in and around Beantown.

If spinsters hold any secrets, a few real estate brokers certainly would like to know. The tale of the spinster is the one about the 100-year-old oceanfront home that sold for \$4.75 million and closed within two weeks a flash of time that is fast becoming an anomaly in the luxury real estate market of the greater Boston area.

Faced with surging condominium sales and a growing number of single-family homes waiting to be grabbed, brokers are bracing themselves for a market where buyers are holding all the cards and prices are coming down.



Compared to past years, buyers are in a better position to negotiate, says Miceal Chamberlain of Historic Homes in Brookline. We are now beginning to see more of a level playing field. In Brookline and nearby Newton alone, the number of homes on the market priced at \$2 million and above has tripled over the last year to 71 properties by the end of September. But many of these homes are either not moving at all or being sold at much lower prices.

Terry Maitland of Landvest Inc. is concerned that sellers are shooting too high, starting prices at unreasonable levels. He sold one Cambridge home recently for \$5.9 million nearly \$3 million less than the original asking price. In the end, sellers who start too high are settling for less than they could have gotten if they had started at a lower price, he says. I think its getting better, provided that pricing stays reasonable, Maitland says. They wont overpay.

At the spinsters home in Cohasset, 25 miles east of Boston, a sense of history and the rush of having front-row seats on the ocean are attracting buyers to the luxury market, says Tom Hamilton of Dean and Hamilton Realtors.

This quaint seaside village has seen summer homes upgraded to become year-round destinations. These upgrades have included improved baths and kitchens, but new buyers still try to maintain the classic architectural styles for which Cohasset is famous.

You have things people are looking for in a house of today, but you maintain the character of the 1900s, Hamilton says, adding that extensive upgrades can add \$1 million or more to the value of a home.

While Cohasset homes are drawing multi-generational families from as far away as Florida, Chamberlain says younger families and even some Boston Red Sox players are flocking to Brookline and Newton, where prices range from \$600,000 homes to \$19 million estate properties. Those properties, vast stretches of land dating back to the late 1800s, are entering the market in droves, because owners are leaving the suburbs for a growing commodity in Boston itself: the condominium.

Single-family homes are still selling in the \$5 million range, but many older mansions from the early 1900s are being gutted and turned into condominiums that provide full-service lifestyles, says Dave Stenberg of Hammond Residential/GMAC.

And there doesn't appear to be anything stopping a condominium market that has seen an \$800 million increase in sales over the last four years, with some condos selling for more than \$10 million, said **Karen Fish-Will of Peabody Properties**.

Much of the credit should go to newer properties such as **The Waterworks at Chestnut Hill** community, **Fish-Will** says. (People want) the convenience of being in the city and walking to almost everything, exercising and taking in the theater. With the revitalization of almost every part of Boston, there are endless possibilities.

**At a Glance:**

The price range for luxury homes in the greater Boston area is between \$1 million and \$19 million.

Of the 91 Cohasset homes on the market, 41 are going for at least \$1 million.

The number of houses on the market in Brookline and Newton has tripled in the last year. By the end of September, 193 homes worth at least \$1 million still were active, and 71 of those homes were priced at \$2 million and above.



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