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The Story of Fan Pier, a Catalyst for Boston's Waterfront

In the last decade, Boston's Seaport District transformed into a modern neighborhood, with glass towers and futuristic cultural and event venues. The new developments, some delivered at the height of the real estate crash, are the result of a collaboration between local and state authorities, private investors and developers, residents and cultural organizations. Joseph Fallon, president of The Fallon Co., revealed the story behind Fan Pier, the project standing at the core of Boston's southern waterfront.

by Alexandra Pacurar | Sep 26, 2017





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More than 12 years ago, Boston's southern waterfront was more or less limited to abandoned parking lots with great views of the city's Financial District. Gradually, the area was reshaped by Fan Pier's six new glass towers (commercial and residential buildings), the Institute of Contemporary Art, the Boston Convention and Exhibition Center, residential project Park Lane Seaport and two hotels. The district's transformation started with The Central Artery/Tunnel Project known as The Big Dig, the transportation project that increased highway and public transit access, and connectivity to the rest of the city.

"With the city's vision for a new center of innovation and the Big Dig opening up new avenues for development along the harbor, two major projects—Fan Pier, which was initially owned by the Pritzker family, and the planned BCEC—helped usher in a new era of progress for waterfront development," Joseph Fallon, president of The Fallon Co., told *Commercial Property Executive*.

AN UNEXPECTED DEAL

Local firm The Fallon Co. is the developer behind Park Lane Seaport (completed in 2005) and the two new hotels in the Seaport District: Westin Waterfront (2007) and the Marriott Renaissance (2008). Towards the completion of luxury condo project Park Lane Seaport, The Fallon Co. took over Fan Pier.

"We viewed the project as critical. After several failed attempts by other partners, The Fallon Co. bought the 21-acre Fan Pier site from Pritzker in 2005," Fallon added.

FAN PIER

Owner:
The Fallon Co.
and
Mass Mutual
Financial Group JV

Six buildings:
Five complete
One underway

2.6 million
square feet
of commercial
space

Lot size:
21 acres
229 residential
units

Tallest building:
18 stories
(One Marina
Park Drive)

The first step in the progress of the mixed-use project covering nine blocks was changing the zoning regulations to attract life science firms. *"This significant change brought forth the opportunity for Vertex Pharmaceuticals to move its global headquarters to Fan Pier, a pivotal deal that cemented the area's reputation as a future center for innovative commerce,"* Fallon explained.



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DEVELOPMENT DURING MARKET COLLAPSE

Soon after, at the height of the financial collapse, the company stepped in and delivered two hospitality projects that ensured BCEC's final approval, as adequate lodging for convention guests was needed. Fallon underlined the fact that each project's role was essential in shaping Boston's new waterfront.

Fast forward ten years—the gray parking lots were replaced with four commercial towers (One Marina Park Drive, Eleven Fan



Fifty Northern Avenue

Pier Boulevard, Fifty Northern Avenue, 100 Northern Avenue) and luxury residential tower Twenty Two Liberty, all standing complete at Fan Pier. Construction is underway for Fifty Liberty, the project's second high-end residential building. Fan Pier also features a six-acre marina, large public green spaces and Fan Pier Park, which abuts the now under construction HarborWalk.

WHAT COMES NEXT?

Below, Joseph Fallon provides further insight into the development of Fan Pier and further growth plans.

CPE: Twenty Two Liberty was a successful product for the residential market in Boston. What about Fifty Liberty? Are there any more units available for sale at Fifty Liberty?



Joseph Fallon, president of The Fallon Co.

Fallon: We were fortunate to have a long waiting list with numerous clients awaiting access to the building, and referrals from Twenty Two Liberty owners to friends and family, in addition to local and international clientele. Fifty Liberty is enjoying continued [buyer interest](#) and we anticipate completing the sales cycle in 2018.

CPE: How do you see the luxury multifamily market in Boston in terms of demand?

Fallon: Boston has a strong luxury housing market, particularly in the luxury multifamily category. Demand continues to be strong, but supply has currently outstripped demand. We anticipate that while the market will remain stable, it will not experience the



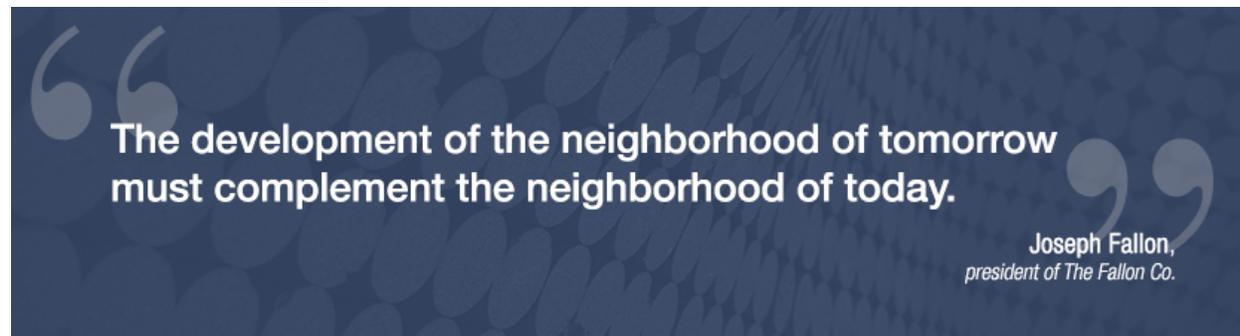
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exponential growth we've seen in the last several years. Currently, the apartment boom and subsequent shift to condos are fueling oversupply.

CPE: Which properties in Fan Pier are still owned by The Fallon Co.? Are any of them on the market?

Fallon: The Fallon Co. owns ONE Marina Park Drive, Twenty Two Liberty and Fifty Liberty. The Fallon Co. sold Eleven Fan Pier Boulevard and Fifty Northern Avenue to Senior Housing Property Trust in 2014, marking one of the [largest real estate transactions](#) in the city that year. In 2016, Deutsche Bank purchased 100 Northern Avenue. No properties in Fan Pier are currently on the market.



CPE: What comes next for Fan Pier? Are there any other components planned for development?

Fallon: We will complete Fan Pier Park in conjunction with the opening of Fifty Liberty, which will provide more access to green space within the neighborhood and plan to add two additional buildings, while further incorporating new retail, hospitality and amenity offerings



Rendering of Twenty Two Liberty

Fan Pier is a mixed-use, transit-friendly development and the master plan reflects how the different uses fit together to create more than the sum of its parts. With the population of cities growing as baby boomers move back into urban areas and younger millennials stay in the city proper longer, transit-oriented developments are vital to city planning. In a growing neighborhood like Seaport, you can see how important it is in driving growth. Waterfront development has become a model throughout the city and other major



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metropolitan markets—Toronto, for example, took inspiration from Boston’s waterfront for its expansion.

Fan Pier’s master plan is indicative of The Fallon Co.’s overriding philosophy: the development of the neighborhood of tomorrow must complement the neighborhood of today. The role of environmental/urban factors (e.g. the harbor, existing skyline etc.) were critically important in influencing the neighborhoods design. All buildings at Fan Pier and in The Fallon Co.’s portfolio seek LEED certification and are designed with sustainability in mind, incorporating the latest green building practices.

CPE: At the beginning, Fan Pier was presented as the result of a \$3 billion joint venture. What can you tell us about the capital invested so far?

Fallon: As a privately owned and operated company, The Fallon Co. does not disclose financial information.

Images courtesy of The Fallon Co.