

Raffles Bets on Rebound in Downtown Luxury Condo Market

By [Steve Adams](#) | Banker & Tradesman Staff | Mar 24, 2021



The Raffles Boston Back Bay Hotel & Residences includes seven penthouses including a two-story unit on the 34th and 35th floors. Image courtesy of The Architectural Team

After a broad-based dip in Boston's luxury condo market in 2020, developers of the Raffles Boston Back Bay Hotel & Residences have a brighter post-pandemic outlook for sales of 146 condos at their 35-story tower.

Scheduled to open in the third quarter of 2022, the Raffles won't have to compete directly against iconic high-rises such as One Dalton, the 61-story condo tower on Christian Science Plaza, where more than two-thirds of the 168 condos have already sold. Another full-service tower, the 114-unit St. Regis Boston on Seaport Boulevard, began vertical construction last year, and presales are under way for 55 condos in the Sudbury tower at Bulfinch Crossing.

"We and everybody else in Boston are fortunate that unlike New York, where there's a competition among the skinny towers to stand out, in every cycle Boston has just three or four buildings in each price range," said Jordan Warshaw, president of The Noannet Group

which is partnering with Saunders Hotel Group on the Raffles. “We’re a smaller city that doesn’t get overbuilt, and that’s fine.”

Vertical construction began in January on the \$400 million project, which includes 147 hotel rooms on the lower floors and six food and beverage venues.

The building includes two floors devoted to pied-a-terre style units in the 500-square-foot range.

“If you ask any broker in town what do they not have enough of, it’s small units. People might have a place in the suburbs, but just want a little space in Boston,” Warshaw said. Buyers with higher aspirations will have a pick of seven penthouses on the top two floors, including a 2-story unit with spiral staircase. Six resident-only amenity spaces, ranging from a library to outdoor terrace, will occupy the 21st floor.

Developers said the Raffles brand owned by hotel operator Accor emerged as a natural choice because of its global aesthetic tracing back to 1887, when the original Raffles hotel opened in Singapore.

“Historically Boston has been viewed as a rather provincial city, and the introduction of this international brand brings so much to the city. It goes well beyond architecture,” said Gary Kane, a principal at The Architectural Team of Chelsea.

The Boston condo market is expected to rebound following a year of pandemic-induced disruption, according to a recent report by The Collaborative Cos. of Boston. Closings in the urban core declined 11 percent in 2020, but started to rebound in the second half of the year.

Average prices declined 5 percent to \$1.16 million. Back Bay remained the city’s highest-priced submarket, with average prices of \$1,714 per square foot, slightly edging out the Seaport District.