



Subscribe
Starting at 99 cents

Members
Sign In

Big Fenway project with Chinese backers breaks ground



SAMUELS & ASSOCIATES

Pierce Boston, a 30-story residential tower, is planned for the junction of Boylston Street and Brookline Avenue in the Fenway.

By Tim Logan | GLOBE STAFF OCTOBER 16, 2015

The first big residential project in Boston financed in part by money from China broke ground Thursday.

It probably won't be the last.

When developer Steve Samuels, Mayor Martin J. Walsh, and others lined up for a ceremonial groundbreaking at Pierce Boston, a 30-story luxury residential tower in the Fenway, one of the men hoisting a golden shovel was a top executive at one of the biggest home builders in China.

Landsea Holdings Corp. is partnering with Samuels on the project, bringing money, design expertise and, potentially, a pool of customers for its 109 luxury condos. The company builds 12,000 houses a year in China, and with the economy there cooling off it has begun expanding in the United States. It is building subdivisions in the San Francisco Bay and Los Angeles areas and a condominium development in Weehawken, N.J., across the Hudson River from Manhattan.

Now Landsea has expanded to Boston, drawn by the city's universities, hospitals, and high quality of life, said chief operating officer Paul Lee.

"We see this as a city with a lot of potential for investment and development," he said. "We really like Boston."

While the developers expect most of the units to be sold to local buyers, Landsea has a sales office in China that will market the Pierce units there.

Chinese capital has poured into US real estate in recent years, particularly on the West Coast and in New York City.

Since 2012, Chinese companies have invested \$9.4 billion in more than 90 big real estate deals, according to Rhodium Group, a New York consulting firm that tracks foreign investment in the United States. Until recently, Chinese companies largely stayed on the sidelines in Boston — where foreign capital has mostly come from Europe and Canada.

A pair of Chinese insurance companies are helping to finance Tishman Speyer's \$500 million redevelopment of Pier Four in the Seaport District. A Chinese investment group is buying a chunk of the nearby Seaport Square from Morgan Stanley Real Estate Investing.

And now Landsea has made landfall with Pierce, which will put 109 condos, 240 apartments, and street-level retail in a 30-story tower at the junction of Boylston Street and Brookline Avenue.

Landsea is making a “substantial contribution” to the \$300 million development, a spokesman said, and is a full partner in the joint venture, bringing its experience in green building and global marketing, in addition to its deep pockets.

It also played an “integral role,” Lee said, in helping to raise \$49.5 million for the Pierce development through the EB-5 visa program, which offers foreign investors a visa if they put \$500,000 into a US business. The program is especially popular with Chinese investors in US real estate. The EB-5 program has been used to finance several smaller projects in Massachusetts; the Pierce is the largest so far, generating 99 visas, according to financing documents.

Samuels & Associates president Joel Sklar said the firm connected with Landsea when it began hunting for partners and learned that Landsea was looking for deals in the United States. The companies sealed their deal during a nine-day trip that Sklar and Samuels took to China. Sklar said Landsea brings much more than money to the deal.

“It’s a one-stop shop with a great development partner,” he said. “We’ve had a great relationship.”

Samuels and Landsea don't have any more deals on tap just yet. But Lee made clear his company has plans for more investment as the city's building boom rolls on.

"We're very bullish on Boston," Lee said. "We see ourselves doing a lot here."

Tim Logan can be reached at tim.logan@globe.com. Follow him on Twitter at [@bytimlogan](https://twitter.com/bytimlogan).

Get **Today's Headlines from the Globe in your inbox:**

SIGN UP

[Privacy Policy](#)

SHOW 26 COMMENTS