

# Lynn, Lynn, the city of ... urban loft condominiums?

## Developers see former technology district as new home front

BY TOM WITKOWSKI  
JOURNAL STAFF

LYNN — Downtown Lynn, pitched during the high-tech bubble as a place for Web design and tech firms to locate, is attempting another comeback, this time as an alternative for first-time home buyers seeking urban loft condominiums and priced out of Boston.

Developers have poured tens of millions of dollars into Lynn, renovating the upper floors of buildings in and near Central Square into 200 condominiums, with another 50 in the pipeline. Buyers are snapping them up for prices that barely top \$300,000.

In recent years, the city rezoned the area to enable residential development, invested about \$1 million in its downtown and is building a new police station nearby. The result is a new generation of people moving to the city of 90,000, ignoring Lynn's once seedier reputation, investing in downtown real estate and attracting retail businesses.

RCG LLC of Somerville did the first conversion with Boston Machine Lofts, a 30-unit project that sold out last year.

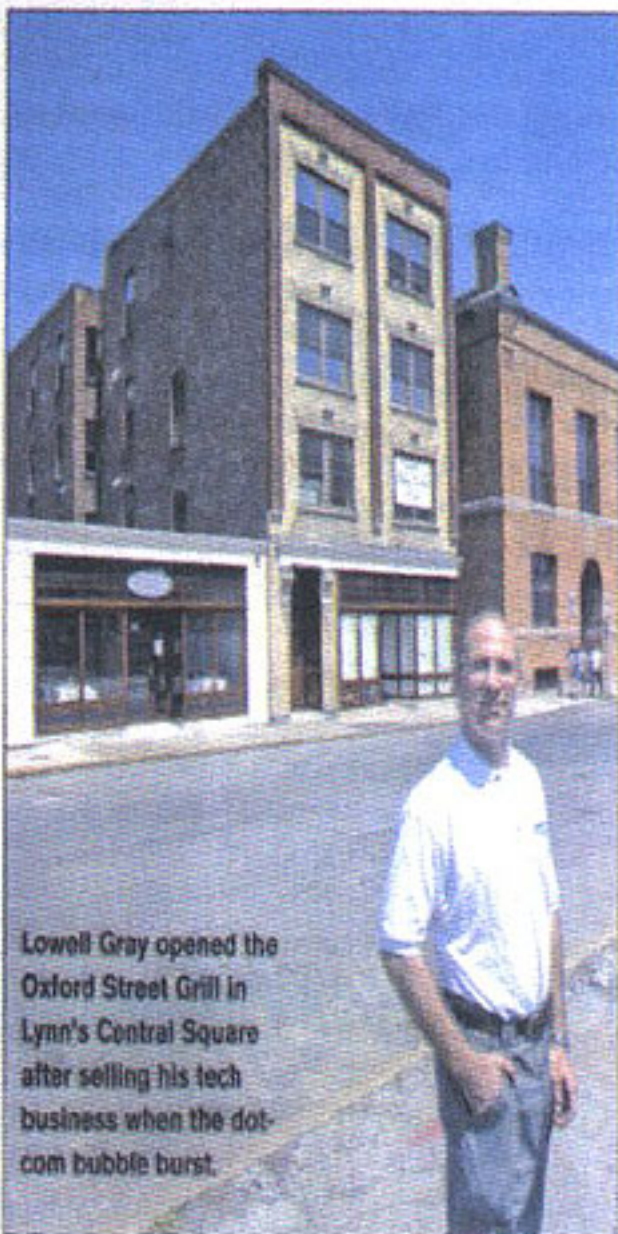
RCG is currently converting the Franklin Firehouse, a building it bought from the city for \$381,000, to Ladder 3 Lofts, a 15-unit building. When finished later this year, the lofts will sell from \$229,000 to \$375,000.

RCG principal Alex Steinbergh credited city officials for making zoning changes that spurred these developments.

Property values in the downtown area have doubled in the past four years, said Hal McGaughey, the city's director of development in the office of economic and community development.

"There is a demand for this type of housing," he said. "Lynn got a break, and we deserved it."

Kristin Korpos and her partner, Maarit Kelvin, were renters in Quincy shopping for their first home in Dorchester before they moved to Lynn. Korpos and Kelvin, who both work in Boston, had been limited to that Boston neighborhood because their price ceiling was \$300,000. A friend who lives in Boston Machine Lofts turned them on to



Lowell Gray opened the Oxford Street Grill in Lynn's Central Square after selling his tech business when the dot-com bubble burst.

BY MARC GERBSH | BUSINESS JOURNAL

Lynn. The couple just closed on their two-bedroom, 1,200-square-foot loft in the recently converted Keith Building, a Mayo Group project.

"I don't feel like a pioneer. I just feel

smart. We made an intelligent choice," said Korpos.

The eight condominiums in the Keith Building sold within six weeks at full asking price, said Dennis Joy, manager of the Mayo Group's Lynn properties. The Mayo Group, which has invested about \$25 million in Lynn, is currently converting another Central Square building into 21 lofts and has 10 commitments from buyers.

Lowell Gray, who founded and later sold tech company Shore.net in Lynn, saw firsthand Lynn's technology hopes burst with the high-tech bubble. Last month he opened the Oxford Street Grill, a fine-dining restaurant in Lynn's Central Square targeting these new residents. He says this renaissance has staying power.

"You have real people who are buying into the market, taking out mortgages and living here," said Gray.

Gray owns the building that Shore.net had occupied, as well as the former hotel next door, into which he expected to someday expand his company. He still leases the one building to his former company's buyer.

Gray recently converted the hotel into four condominiums, with prices from \$299,000 to \$336,000.

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