

Boston Realty Advisors following in client's footsteps

BY MARY MOORE
JOURNAL STAFF

Leveraging better pricing and the promise of potential deals, **Boston Realty Advisors** is moving into larger space on Boylston Street and, at the same time, focusing more of its attention on the downtown leasing market.

The firm, which has offices in Boston and New York, is capitalizing on the same market dynamics that are prodding its clients to shop for new space or renegotiate their current lease terms.

Already located at 715 Boylston St., Boston Realty is moving just 90 feet — to 745 Boylston Street — into a space that is about 1,500 square feet larger than its existing layout. The nine-year-old firm is “maturing,” said **Jason Weissman**, principal and founder. He said Boston Realty is doing between 450 and 500 real estate transactions a year within the residential and commercial space, and represented either tenants or landlords in 56 office-lease transactions in the past 12 months.

Boston Realty had looked at 745 Boylston St. a year ago as a potential new office space, but the property “became more palatable” in the time since, said **Wil Catlin**, a principal at the firm.

“The lease rates were in the low \$40s per square foot. Now we’re in the low \$30s and turn-key,” Catlin said. The



From left, Boston Realty Advisors principals Wil Catlin and Jason S. Weissman, along with new hire Adam Schneier, are sharpening the firm's focus on the downtown market.

firm signed a five-year lease with a five-year extension option, he said, adding that the landlord installed new carpeting and reconfigured the space.

Its office expansion symbolizes Boston Realty's stronger focus on the downtown market. The firm wouldn't release dollar figures, but said its revenue doubled on its commercial side in

the suburban market between the end of 2008 and the end of 2009. Boston Realty expects to enjoy the same sort of growth downtown.

The firm has hired **Adam Schneier** as managing director of its commercial brokerage division. Schneier joined Boston Realty from **CresaPartners**, where he focused on leasing in Boston's

central business district. In its downtown business, Boston Realty faces off against some of the city's larger and perhaps better-known firms such as **CB Richard Ellis**, **Cushman & Wakefield** and **Jones Lang LaSalle**.

“We want to be known as a niche industry player and an alternative to those” larger firms, Schneier said.

First-quarter downtown reports show that it is a strong market for tenants. For example, CB Richard Ellis reported “average asking rents declined for the sixth straight quarter while vacancy eclipsed 10 percent for the first time since 2006.”

With improved economic news, the report goes on to say, “tenants continue to enter the marketplace in advance of their lease expiration dates.”

“(Lease) prices are down 33 percent,” Catlin said. “And if you represent the tenant, it's a wonderful opportunity.”

Schneier said the downtown market will pick up over the next year, and while renewals continue to be the bulk of the business, “people will be force to move.” Already, Catlin added, the firm has been seeing a “flight to quality” downtown, with tenants leasing Class B space seeking higher quality locations.

MARY MOORE can be reached at marymoore@bizjournals.com.

Groups trying to turn startup deals into angel food

BY GALEN MOORE
JOURNAL STAFF

Angel investors are forming two new groups in Boston, with the aim of pushing more wealthy individuals into fields where private investors typically fear to tread. Neither effort has a name yet, but both are led by former information technology and energy executives who are well known as angel investors already.

Reed Sturtevant, a serial entrepreneur and former director of **Microsoft Corp.**'s (Nasdaq: MSFT) **Startup Labs**, is launching what he is calling a “startup accelerator” for new companies seeking high-risk seed investments at the very early stage.

Meanwhile, former **NStar** (NYSE: NST) CIO **Gene Zimon** has formed an angel group aimed at encouraging private investment in supply-side energy technologies. These companies are seen as difficult for angels, because they can be capital-intensive and slow to mature.

“There's no group where we can really talk about potential investments in clean energy and related things like the smart grid and utilities,” said Zimon, who is already a member of **Walnut Venture Associates** and **Launchpad Venture Group**, two established Boston-

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Reed Sturtevant
Serial entrepreneur and angel group founder



area groups of angel investors.

Clean energy investing has captured the interest of VC firms, but has proved difficult for the kinds of individuals — often health care or information technology entrepreneurs with past successes — who typically make up angel groups, Zimon said. “They don't understand a lot of the details. Some of the customer-facing stuff is all right, but some of the infrastructure stuff, the communications, there's not that much interest.”

Zimon, who retired last July from **NStar**, said he believes he can bring

together angels who not only can make such investments, but can vet opportunities for mainstream angel groups. The group, which is tentatively calling itself **Cleantech Angel Group**, has a list of about eight other participants, including **Nick d'Arbeloff**, executive director of the **New England Clean Energy Council**; and **Alok Prasad**, chairman of the **TIE Boston CXO Forum**.

Sturtevant, who left **Startup Labs** in October, shortly before **Microsoft** wound down the Cambridge technology incubator, is working on his plan

for a startup accelerator with former **Startup Labs** senior product director **Katie Rae**. The two also worked together at **Eons Inc.**, the baby boomer online social network launched in 2006 by **Monster Worldwide Inc.** founder **Jeff Taylor**.

Sturtevant declined to discuss their plans in detail, but said the group will focus on a perceived funding gap for startups at the earliest stage.

“There is a funding gap between that moment when a startup is just a gleam in a founder's eye and the Series A financing,” Sturtevant wrote in an e-mail.

Jon Pierce, founder of **Betahouse**, a Cambridge startup co-working center, agrees. In June, he's planning to host an **Angel Boot Camp** to coach timid angels on the ins and outs of early-stage startups.

“It's a high-risk investment. Most startups fail,” Pierce said — but the successes tend to spawn wealthy individuals ready to invest in the next round of good ideas. “Until you have a few of those successes, it's hard to get into that virtuous cycle,” he said. “That's where we want to be.”

GALEN MOORE can be reached at gmoore@bizjournals.com.