

Post-COVID, Can Multifamily Projects Succeed Outside the Urban Core?

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BRIX condominiums, Salem MA (Rendering courtesy of Urban Spaces)

BOSTON—Real or imagined, the recent flight from the City of Boston due to COVID has caused developers considering multifamily development beyond the Boston/Cambridge city limits to carefully examine the viability of such projects. Despite the pandemic, last year Massachusetts recorded the most single-family home sales since 2004, with the median sale price increasing by 11.4% over 2019, according to the Warren Group. However, speculation continues regarding current and post-COVID market trends for more dense developments in suburban cities and towns. So is the market for new multifamily building in suburban downtown locations a wise investment?

BRIX, a 61-unit condominium building currently under construction in downtown Salem, may provide some insight into the question. Developed by the team of Urban Spaces and Diamond Sinacori, BRIX was 65% sold in under three months, following a marketing launch in the middle of the traditionally slow holiday season – and in the face of a pandemic. Boston-based marketer Charlesgate Realty Group and local Salem brokers Merry Fox Realty, believe BRIX may be a harbinger of success for additional multifamily development in Boston’s surrounding cities and towns.

“We’re proud of our marketing team’s accomplishment,” said Michael DiMella, a founding partner of Charlesgate Realty Group, “although having a great product like BRIX makes everyone’s job easier.”

BRIX is the first new multifamily condominium building in this vibrant and historic municipality, and is just a short train or ferry ride from downtown Boston. Offering another living option for North Shore’s empty nesters and young professionals from Boston and surrounding communities, BRIX is located in the heart of Salem’s iconic New England downtown and features a wealth of pedestrian-friendly shops, services, eateries, and cultural amenities.

“We love Salem—it’s truly one of America’s municipal treasures. We’re honored to play a small role in bridging Salem’s proud architectural heritage with the promise of a vibrant future,” said Paul Ognibene, CEO and founder of Urban Spaces.

Despite the headwinds of these challenging times, BRIX appears headed for a successful sell-out and may serve as a bellwether for similar projects, demonstrating that the multifamily real estate market is alive and well in suburban downtown locations.

(Paul Ognibene is the founder and CEO of Urban Spaces, a Cambridge-based real estate development company)

