The Business Journal

$2.00 Single Copy

VOLUME 20, NUMBER 33 PORTLAND, OREGON OCTOBER 17, 2003

New loft project hot out of the gates

Avenue Lofts sells 50 units before most can get in on action

BY HEIDI J. STOUT
Business Journal staff writer

The Avenue Lofts won't open sales to the public until Oct. 19, but already 50 units are sold in the 170-unit loft conversion of a 1923-era Meier & Frank warehouse. Friends and family of the project team snapped up 38 early sales, and sales opened to Pearl District residents Oct. 14.

"This is the real thing," said developer Robert Ball. "Most of the people coming into the Pearl District are looking for a true loft—not 'loft-lite'—and I think it's only when you put these elegant fixtures in a hard, industrial building that you really get that expansive, creative, authentic feeling."

Ball celebrated his $38 million project with real estate luminaries and project supporters at a grand opening party Oct. 13. The hard-hat tours of the building under construction wowed seventh-floor visitors with striking views, towering concrete pillars and acres of open floor space. The Avenue's renovations are scheduled to be finished in August 2004.

Ball specializes in historic building renovations and conversion to residential units. His first large-scale project in the Pearl District was the Marshall-Wells Lofts, which has sold 158 of its 164 units; other projects include condominium renovations in Northwest Portland.

The Avenue Lofts stands out from other Pearl District development because it is the only historic loft conversion in progress—five new condominium buildings are under construction, including The Edge, The Elizabeth, The Pinnacle, The Henry and Park Place Condominiums. Of these projects, The Avenue is scheduled to be finished fourth, before The Elizabeth and The Pinnacle in

See **LOFT**, *Page* 42

PHOTO COURTESY OF MARCUS & MILLICHAP

The Embassy Condominiums in Northwest Portland were built as apartments in 1925.

Loft: *Embassy conversion revamps historic apartments*

FROM PAGE 1

early 2005.

The Avenue is named for the cobblestone street on Northwest Irving that builders will extend within the building as a serpentine cobbled corridor. Like the Marshall-Wells Lofts, The Avenue Lofts' plans call for a massive atrium to be cut into the center of the building, allowing light to filter down to the interior-facing units. The 5,500-square-foot atrium reaches down to the third floor of the building; below that are 186 interior parking spaces.

The loft units include massive windows, some 18 feet tall, and some lofts have 26-foot ceilings. Although the majority are traditional one-level units, there are two-level townhouses on the top floors and on the ground floor. These ground-level units, which Ball likened to brownstones, have sold so swiftly that he raised the prices before putting them up for public sale.

Ball said he and his partner Jay Clark, who is attending Stanford's Graduate School of Business, might choose to move their home from The American condominiums in Northwest Portland—another of Ball's historic renovation projects—to The Avenue Lofts. "I have saved a unit for myself, but now it's up to Jay whether we move," Ball said.

Located at the northwest corner of Northwest 14th Avenue and Hoyt Street, The Avenue Lofts is three blocks from the Marshall-Wells Lofts. The Avenue's least expensive unit sells for $148,000; by comparison, the least expensive unit in the Marshall-Wells Lofts started at $155,000, but near the end of the sales period that price was adjusted to $183,000.

The Avenue's sales office at 1001 N.W. Lovejoy St.—formerly Marshall-Wells' sales office—is run by Pearl Real Estate, a company Ball recently created to market his developments. Judi Bost is the principal broker at Pearl Real Estate; she was most recently an associate broker for the production homebuilder Legend Homes.

▼

"They're going to be a really good price point, and I think they'll sell well."

ROBERT BALL
DEVELOPER

▼

Her team includes Ken Olenslager, David Sanchez and Lea Turner Betts.

Like the 1910-built Marshall-Wells building, The Avenue Lofts has qualified for an 11-year property tax abatement—which is passed on to loft buyers—due to its historic status. Sera Architects is the interior designer and architect for the project, Howard S. Wright Construction is the general contractor.

Not content to manage one project, Ball is also in preparing to begin a floor-by-floor renovation of The Embassy, an apartment building at 2014 N.W. Flanders. Ball is converting the five-story building into condominiums and he plans to sell them for $95,000 or $99,000 to about $250,000.

The Embassy has 69 studio and one-bedroom units with hardwood floors and historic details. According to Jason Waxberg of Marcus & Millichap, the building never really went on the market. "The sellers wanted a situation where the right buyer would come to the table; they didn't want to expose the property to the market," Waxberg said.

Waxberg represented both Ball and the Dahlke Family, which built The Embassy in 1925, in the $5.52 million deal that closed May 23.

The Embassy Condominiums' fifth floor will begin renovations next month, and Ball expects it will take no more than six weeks per floor to complete renovations, which include replacing the kitchens and replacing old aluminum windows with historic-character metal-clad wood windows.

Ball had hoped to keep The Embassy as apartments, but the renovations he wanted to do on the building didn't pencil out as rental units, so he decided to convert them to condominiums.

"They're going to be a really good price point, and I think they'll sell well," Ball said. His earlier project, The Robert Daniel—named for a relative, not for himself—sold smaller condominium units without parking spaces for $78,000. ❑