

# IT'S NOT ABOUT THE MONEY

Financial District Building Built With Family Values From The Ground Up

BY KAY METCALFE | BANKER AND TRADESMAN STAFF WRITER

**T**he tiny, 5-story office building in Boston's Financial District may go unnoticed because of its size, but owner/manager Daniel Rene Safar wants you to notice its delicate details.

On any given day, Safar can be found working at 109 State St., molding his artistic vision, which he says, "Is all right here in my mind."

"I really enjoy restoring the building to what it once was," he said. "This project is not about the money. I do not make money from this building."

From the ornate bronze fresco depicting the story of wine that encompasses the lobby elevator doors, to the marble and granite walls and floors, every last detail has been well thought-out, according to Safar. Most of them were crafted in Italy and shipped to the U.S. before being installed.

The landlord who also owns property in the Back Bay, is more focused on building a strong family business than garnering millions from tenants for high-end square footage, he said.

Safar purchased his first property on Newbury Street in 1976, and after a stint at selling fine men's clothing he bought 109 State in 2004 from NAI Hunneman for \$4.5 million. The family spent the first year-and-a-half solidifying the basement.

"The building has a strong foundation," he said. "We built from the bottom up. We need to make sure there is a strong and healthy infrastructure before putting thought into creating the look."

In old photographs mounted on the basement walls, pipes hang exposed from the basement ceiling, shrouded in yellow insulation. Everything in sight is tinged brown and grey, and spray paint tags the walls. Today, the basement boasts clean walls and a spotless floor. Everything is labeled. A sink with running water has been installed and a side room serves as a workroom for onsite maintenance and detail work.

After the basement was completed in an "orderly and organized manner," work began on the lobby. What was once a tiny convenience store wedged into the space by a tight corridor on one side and more retail space on the other, has been completely redeveloped.

"There used to be just this little tunnel that went back to the elevator and stairs alongside the convenience store," said Jeffrey Becker, senior vice president of NAI Hunneman. "It takes



The bronze elevator doors in the lobby of 109 State St. were imported from Italy and tell the story of winemaking.

real creativity to look at this building and see what he saw and to actually create that."

The only tenants remaining in the building is an investment banking firm on the fifth floor, according to Safar. The second and third floors have been completely gutted and will be completed upon the signing of leases. The fourth floor has been will be completed on a spec-only basis. Each floor consists of about 4,800 square feet of space and rates range from \$32-per-square-foot to \$36-per-square-foot.

"The market is very difficult right now," Safar said. "We don't have any tenants yet, but we do have potential tenants. If you build something that is strong, people will appreciate it very much."

Downtown Boston's overall vacancy rate fell to 7 percent in the third quarter, down from 8.1 percent for the same period last year, according to Cushman & Wakefield, a globe commercial

real estate firm.

Average asking rents increased to \$50.93, up from \$45.14 last year, a 12.8 per-cent hike. For Class A space, the vacancy rate was flat at 6 percent compared to a year ago, while rents increased 3.4 percent to \$66.45, up from \$64.22 in 2007.

But brokers say that rents could be headed downward in the wake of Wall Street's meltdown.

"For years this building would have never have stood out to anyone, but with Daniel's creativity and the redesigning of the façade into three separate looking buildings, he has made it so unique," said Becker. "He has given State Street a new streetscape." ■