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In Boston, a Developer is Turning His Childhood Home into \$1 Million Condos

Frank Williams watched the city's South End neighborhood change before his eyes. Now, he's one of the few lifelong residents reaping the benefits of the area's real-estate boom.

By Candace Taylor

Frank Williams stands in a townhouse he is converting to condos in Boston's South End, gesturing toward a newly installed steam shower with Zebra-stripe marble. "This was the closet," he says, then pointing to a double vanity, adds, "There were bunk beds here."

The well-appointed bathroom was once the bedroom Mr. Williams shared with his younger brother growing up. He was born in this circa-1860 house, and has lived here more than half his life.

"Every time I look at this room, I don't see a bathroom," says Mr. Williams, 57, a police officer-turned-developer who owns a number of properties in the area. "I see me and my brother on a set of bunk beds."

Mr. Williams's late father bought the brick Victorian townhouse for \$2,500 in 1961, when the South End was one of Boston's poorest neighborhoods. Now, the area is prime real estate and the building has a total value estimated at \$5.5 million. Mr. Williams inherited the townhouse and is converting it into three condo units: one for himself and two that will go on the market for roughly \$1 million each.

After years of investing in real estate in addition to his day job, Mr. Williams has become one of the few lifelong residents to reap the benefits of the area's stratospheric rise in real-estate prices.

He says he has watched the neighborhood change from racially mixed to predominantly white. Nowadays, Mr. Williams, who is Black, says people look at him suspiciously when he drives his Audi to check on construction.

"The South End has changed so much," he says. "I think there are three Black families on the entire street."

*Lack of access to capital is one of the major factors leading to the dearth of Black real-estate developers, according to **Craig Livingston, managing partner of the real-estate development firm Exact Capital and chairman of the New York Real Estate Chamber**, which aims to expand minority business participation. "If we can solve that, you would see a lot more minority participation."*

It's rare for a South End family to hang onto a house as long as the Williamses have, says Steven Cohen of Keller Williams Realty, the real-estate agent who is listing Mr. Williams's units and who estimated the value of the building. "The vast majority of the time, someone ends up selling it."

Black real-estate developers in general are severely under-represented across the country, industry experts say. "Our real-estate industry is essentially a white industry," says developer Don Peebles, who is considered one of the largest Black developers in the country and has launched a \$500 million investment fund for women and minority developers.

Today, the South End block where Mr. Williams grew up is the stuff of (pre-Covid) urban dreams. Well-kept brick townhouses have elaborate wrought-iron railings and dormer windows surrounded by circular slate shingles. On one hot August morning, trees provided plenty of shade for joggers and parents pushing strollers along the brick sidewalk.

Mr. Williams says it wasn't always this way. Growing up, he says, the area was predominantly first-generation immigrants like his father, who came to the U.S. from Barbados to pick tobacco in the 1950s.

"The houses weren't as well-maintained because they were all rooming houses," he says. "The sidewalk wasn't like this either. We had a regular, paved sidewalk. Around the '70s, they tore the concrete up."

He stops. "See this tree here? My limit, when I was a child, was don't go past this tree. And don't go past the alley on that side. If I did go past this tree, my father would grab a switch off this tree and spank my ass right back home. And it didn't matter who was around."

His father worked as a custodian at MIT, saving half of every paycheck. When he bought their five-story brick townhouse in the South End, the family of four lived in the basement and first floor, and rented out six small apartments with shared bathrooms on the upper floors, each for \$5 a month.

As a young adult, Mr. Williams rented the top two floors from his father, who did nearly all of the maintenance himself, and nearly lost the house to foreclosure on two occasions.

"My father invested every penny he had just to hold on to it," Mr. Williams says.

Down the block to Hiscock Park, he speaks with a passing neighbor. ("I used to play in your house as a kid.") Built in the 1970s, the park is a pleasant oasis with benches for passersby, but Mr. Williams remembers when it was a vacant lot filled with garbage.

"When they did this over," he recalls, "they moved a bunch of cars that were kind of buried, and they found like three dead bodies."

Mr. Williams didn't set out to become a real-estate developer, despite encouragement from his father. "He said, 'You better buy some of these brick buildings in the South End.' But of course like any other kid, who listens to his father?"

He became a police officer instead, and says he plans to retire soon after 32 years on the force.

At age 35, Mr. Williams married a woman whose father had been successful in real estate and who also encouraged Mr. Williams to buy buildings in the South End while they were affordable. It wasn't until years later, after Mr. Williams had gotten divorced, that he decided to give it a try.

In 2000, he bought a two-family brick townhouse in nearby Roxbury for \$160,000. "It was right next to a crack house," he recalls. He renovated it, renting one of the units and moving into the other.

Over the next few years, he bought three other 1- and 2-family townhouses in Roxbury and the South End for roughly \$100,000 each. Years later in 2015, he even bought the "crack house" next door to his first purchase for about \$470,000.

Mr. Williams still owns all but one of the buildings he has purchased over the years, renting them out to tenants. He estimates each is worth about \$1 million today.

Meanwhile, nearly everyone he knew in the neighborhood has moved out. "Who can afford it?" he says. When people in the neighborhood inherit a family house, he adds, they usually sell because the taxes—including inheritance and capital-gains taxes—are too much for them to pay. He says the real-estate taxes on his house are about \$27,000 a year.

If his parents hadn't set up "really good estate planning" that allowed him to take ownership gradually, he says, he never would have been able to keep their house.

Indeed, he received offers from investors after his father's death two years ago. "The day after my father passed, I got about 15 notices offering \$3.5 million to \$4 million cash for the building. Cash."

Still, getting a construction loan was difficult. He was rejected again and again, despite a strong credit score, assets and income. "I just [wanted] to borrow a measly \$2 million to do the work," he says.

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A study released this month by the online loan marketplace LendingTree found that Black home buyers were more likely to receive high-cost purchase loans than the general population in all 50 of the metro areas included in the study.

Eventually, a friend suggested he approach a private local bank, [Hingham Institution for Savings](#), which agreed to finance the project in exchange for additional collateral.

In the house, he found a number of envelopes addressed to his father, containing oil bills from the 1960s. “He kept all his bills,” Mr. Williams says.

He plans to use them for wallpaper in one of the bathrooms in his unit.

At first Mr. Williams wanted to restore more of the home’s features, such as a staircase his father had built by hand. But that turned out to be prohibitively expensive. Instead, he gutted the interior, keeping only the landmark facade and front door.

Plus, “I got spankings on those stairs,” he joked. “I could watch that go.”

The three-bedroom unit Mr. Williams is creating for himself includes the space his family once lived in and then some. His new kitchen, with a six-burner Thermador stove, opens to a deck with a gas grill. What was once his family’s living room, or “front room” as they called it, is now a guest bedroom with a full en-suite bath. His parents’ old room is his new master bedroom.

Downstairs, what was once “a dirty old basement” now has another guest bedroom. Sliding doors lead to the backyard, where he is putting in a hot tub.

There is also a whiskey room with a wet bar, and shelves for his favorite bottles of George T. Stagg bourbon, and a humidor for his cigars.

“I kind of overdid it a little bit,” he says. But once he moves back into the house—he has been living at one of his Roxbury buildings—he isn’t planning to leave. “I’ll do it once, and I’m not doing it again.”