

## Property developers Beal Cos. to partner with Related of N.Y.



David L. Ryan/Globe Staff/File 2004

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Among notable Boston buildings redeveloped by the the Beal Cos. are the Custom House (left) and Grain Exchange (center).

The Beal Cos., one of Boston's oldest and most prolific real estate firms, is joining forces with Related Cos. of New York to create a new venture that promises to be a powerhouse of local property development.

Principals of the newly formed entity, to be called Related Beal, said they will aggressively pursue investment opportunities in coming months. The two privately owned firms have collaborated on multiple projects over the last decade, but the new partnership will combine their resources into a Boston-based company that will have greater expertise and financial strength.

Terms of the transaction were not disclosed.

"This takes an old Boston company and gives it a totally new dimension," said Bruce A.

Beal, who will continue as chairman with Related Beal. “It allows us to look at deals that we probably wouldn’t have had the capacity to do.”

Related and Beal are currently collaborating on the redevelopment of [Lovejoy Wharf](#) next to North Station, where construction is underway on a complex that will include the new corporate headquarters for Converse Inc., 100 residences, retail stores, and a public park along Boston Harbor.

In many ways, the new partnership simply formalizes a longstanding relationship between the firms. Beal’s son, Bruce Beal Jr., is president of Related Cos., where he has worked for 18 years. Previously, Related and Beal developed [the Clarendon](#), a luxury residential tower in the Back Bay.

Executives said their partnership will result in significant benefits for both firms. Beal will get deeper pockets and a broader investment reach through its relationship with Related, which has \$15 billion in assets and offices in many US cities as well as international locations such as Shanghai, Abu Dhabi, and Sao Paulo.

Related will get the Beal Co.’s Boston connections and entree into the fast-growing biotechnology sector. Beal was among the pioneers in developing space for life sciences companies in the region. It owns the massive One Kendall office and retail complex in Cambridge’s Kendall Square. The Beals recently explored a sale of that property but opted to keep in their portfolio.

Executives said they are looking at a number of opportunities in Boston and neighboring communities.

“It’s a great time for Boston when you think about all that is happening,” said Bruce Beal Jr. “A lot of money has been put into improving the local infrastructure, and now you’re seeing developers come out of the ground with new projects.”

The Beals have been working for some time on a potential redevelopment of the Hook Lobster Co. property along the Rose Fitzgerald Kennedy Greenway — one of many sites



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From left: Jeff Blau and Bruce Beal Jr. of the Related Cos, with Related Beal chairman, Bruce Beal Sr., and president, Robert Beal.

that became more valuable when the Greenway replaced the elevated central artery.

Related Beal will also partner in the \$1.6 billion redevelopment of Quincy Center, which is among the largest real estate projects in the state.

Established in Boston in 1878 by Abraham B. Beal, the Beal Cos. has many distinguished properties to its credit. It helped to rehabilitate Boston's Custom House, the art deco Battery March building, and the Park Square building. It has also acquired and developed properties for life sciences companies in Lexington, Waltham, and East Cambridge. The company recently completed a new office complex at 800 Huntington Ave., which has been leased on a long-term basis to Massachusetts Eye and Ear Infirmary.

Related, based in New York City, has developed mixed-use projects such as Time Warner Center in New York and CityPlace in West Palm Beach, Fla.; it is developing the 26-acre Hudson Yards project on Manhattan's West Side. Related also manages over \$1.5 billion of equity capital for sovereign wealth funds, public pension plans, and other investors.