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Boston Realty Advisors sells 2 Newbury St. for \$26.75 million to Stonegate Group

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Boston, MA Boston Realty Advisors has sold 2 Newbury, a retail property on Newbury St. in the city's Back Bay, for \$26.75 million to Stonegate Group.

The space in the historic 13,500 s/f building, at the corner of Newbury and Arlington Sts., will be available for retail and office tenants for the first time since the 1980s.

The building sale was led by Boston Realty Advisors' Joe Wagner, director of retail; Whitney Gallivan, managing director and partner; and Kevin Benzinger, director of capital markets.

"This iconic asset is a generational opportunity that is trading for the first time in over 30 years," said Wagner. "There is only one 2 Newbury St., sitting at the highest profile corner on Boston's highest

trafficked shopping street.”

The retail leasing team is being led by Gallivan and Wagner, and the office leasing team by Boston Realty Advisors’ Wil Catlin, founder and senior partner; Robert LeClair, managing director and partner; and Bonny Doorakian, managing director and partner.

“We are very excited to be working with Stonegate Group, an established local investor and developer experienced in first-class assets in the Back Bay and South End neighborhoods,” Gallivan said. “We already have several global luxury retailers knocking on our door to lease the retail space.”

Stonegate Group, which was represented on the purchase by Nat Heald of JLL, is an owner, developer and manager of commercial, residential and mixed-use properties in the Greater Boston area. Sean McGrath, Stonegate Group’s founder and CEO, started Stonegate Group in 1988. The luxury apparel company Burberry was in business in the 2 Newbury building beginning in 1984.

The six-story building is across from the Boston Public Garden and surrounded by fine hotels, retailers and residences.

The Back Bay is one of the strongest real estate neighborhoods in the country. Both before the pandemic and during the remarkable commercial comeback over the last year or so, real estate professionals have seen tenants seek space in the handsome and historic brick offices and storefronts of Newbury St.

Many financial services firms and advisors, including private equity firms and family offices, have relocated to Newbury St., often from high-priced floors of the city’s tower buildings. A few of those include Davis Family Charitable Foundation at 81 Newbury St., Boston Family Advisors at 118 Newbury St., Hyperplane Venture Capital at 137 Newbury St., and FourBridge Partners at 171 Newbury St.

At the same time, despite the headwinds of the pandemic and growth of on-line shopping, Newbury St. has been populated by a sizable contingent of new luxury and other retailers, joining the many popular restaurants, bars, coffee shops and bakeries that the street has long been famous for.

New retailers include Zegna at 1 Newbury, Patek Philippe at 7 Newbury, Levain Bakery at 180 Newbury, Vuori at 201 Newbury, and Buck Mason at 229 Newbury. Across Newbury St. from 2 Newbury is the historic hotel now flagged The Newbury Boston.

The building played a prominent part in the development of the Back Bay neighborhood in the city. It was designed as a residence by architect Nathaniel Bradlee for Henry Kidder, a bank founder born in Cambridge in 1823. Kidder, a grocery clerk as a teenager, learned banking and joined Francis and Oliver Peabody to establish Kidder, Peabody & Co.