

Exclusive: SoMa condos sell briskly even as prices rise

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After close to two years on the market, buyers have snapped up more than half of the 298 condos in the Harrison, a luxury highrise building in San Francisco's Rincon Hill neighborhood.

The project, from developer [Maximus Real Estate Partners](#), is the second largest condo project in San Francisco with units on the market after Tishman Speyer's 656-unit Lumina at 201 Folsom St.

"We saw continued sales momentum and increased price per square foot records this past year, and 2018 is already off to a phenomenal start, with January being one of our most active sales months yet," said [Rob Rosania](#), founder of Maximus Real Estate Partners.



GUILLAUME GAUDET

Maximus and partner Rockpoint Group bought the 49-story building at 401 Harrison St. in 2015 for \$410 million, or about \$1.375 million per unit, from developer Urban Pacific Investors and Principal Real Estate Investors. Maximus is also working on an overhaul and expansion of Park Merced, a massive housing megaproject near San Francisco State University, and a proposed residential building near the 16th Street BART Station that has drawn significant community opposition.

Sales at the Harrison kicked off in April of 2016 with prices starting in the \$800,000s for a one-bedroom. Now, with a second release of 140 units hitting the market, one bedrooms start above \$1 million and penthouses range from \$3.5 million to \$8.8 million.

Most of the lower floors are sold out leaving units with some of the best views available, said [Hana Cha](#), managing director of Compass Development, which is marketing the property.

"The Harrison does stand apart," Cha said. "The building sits higher up on the hill than other nearby projects. The building also has a boutique, community feel with a distinct sense of style."

Maximus spruced up the building with lavish common areas including a a pantry stocked with pastries and beverages, a top-floor private lounge called Uncle Harry's and a main lobby dubbed "the grand salon" that is adorned with vintage furniture and art pieces to resemble an English club.

The Harrison is a few blocks from other high-end luxury buildings such as Lumina and 181 Fremont, which contains 67 homes starting at \$3 million for a two-bedroom and a penthouse priced at \$42 million.

Fifteen projects are actively selling condos in San Francisco with just over 1,700 units available, according to Polaris Pacific, a condo marketing and research firm.

"There's definitely depth in the marketplace from buyers willing to spend at high-price points," Cha said. "At the Harrison, the buyers have been very diverse. The common thread is that they appreciate style and design and they are all very affluent."

Other developers are banking on that interest from well-heeled buyers such as John Buck Co., which could start construction soon on a waterfront condo development at 75 Howard St.

Many of the highrise projects are clustered in SoMa, where tech companies continue expanding into new office space such as Facebook agreeing to lease up the bottom half of 181 Fremont and Salesforce moving into its namesake, 1.4 million-square-foot tower.

One of the early pioneers, Tishman Speyer, started sales at Lumina in fall of 2014 and is now more than 90 percent sold out.

"Over the past two years, Lumina has welcomed many new residents that appreciate our community's lifestyle benefits," said Carl Shannon, senior managing director at Tishman Speyer, in a statement. "With over 600 homes now sold, Lumina is filled with residents who enjoy a vibrant, urban community."

Blanca Torres
Reporter
San Francisco Business Times

