

# BOSTON BUSINESS JOURNAL

---

BUSINESS NEWS ESSENTIAL TO BOSTON'S LEADERS.

## Slowly rebounding CRE sector fuels architect demand

by Jay Fitzgerald

Date: Friday, January 27, 2012, 6:00am EST

**Commercial real estate**

**Hot job: Architect**

**Pay: \$45,000-\$60,000**

Caitlin Greenwood was pleasantly surprised when she landed a job only a month after graduating from Roger Williams University's dual-degree program in architecture.

After all, some of her friends who had graduated earlier from the Rhode Island school had taken years to land good architectural jobs, as the battered economy showed only faint signs of recovery in 2009, 2010 and early 2011. But Greenwood, 25, who graduated in December with her master's degree, got a number of quick job offers and opted to join Boston's Margulies Perruzzi Architects.

"I was actually pretty lucky," said Greenwood. "It's definitely surprised me to get a job so fast."

Greenwood and other aspiring architects can thank a slowly rebounding Massachusetts economy for their luck in finding jobs — and they can specifically thank small improvements in the commercial real estate office industry.

As employers slowly add workers to payrolls in Massachusetts, owners of local office buildings are seeing more activity — whether it's firms expanding, or moving, or simply wanting to renovate their current office facilities.

It's not exactly a boom time within commercial real estate, but at least it's no longer a bust time either, says David Begelfer, chief executive of NAIOP Massachusetts, a commercial real estate development association.

"There's a mixed recovery under way," said Begelfer. "There's still a case out there of the haves and have-nots. Some are doing well. Some aren't."

In the “well” category are some architecture firms who specialize in working with corporate clients on their office needs, Begelfer said. The fact that some corporate-oriented architecture firms in the Boston area are now hiring is a reflection of a slowly improving economy in general, he said.

Marc Margulies, an owner and founder of Margulies Perruzzi in Boston, agrees the economy is slowly boosting the architecture industry, after a brutal downturn. “We do see evidence of increased confidence,” he said.

To be clear, residential architecture is still in the proverbial doldrums, as the housing market continues to struggle throughout most of Massachusetts and the nation.

There’s currently a surge in the building of higher-end multifamily apartment buildings in the Boston area, requiring the talents of design architects. Yet it’s not close to the pre-recession demand for residential-focused architects.

But the commercial real estate side of architecture is now faring much better, industry insiders say. It’s not so much that commercial real estate architecture is “hot” per se, but rather it’s at least hot compared with where it was only a few years ago.

“Leases are rolling,” said Margulies of companies changing spaces and taking advantage of lower office-rent prices.

Not all office-design changes entail expansions, thus requiring architecture redesigns to previously vacant office spaces.

Sometimes companies are locking in smaller amounts of space, at lower prices, and using part of the savings to reconfigure their headquarters, said Margulies. “They’re asking for better utilization of space, requiring our assistance,” he said.

The slowly improving commercial real-estate sector is effecting other career fields within the industry, though perhaps not to the extent currently seen within architecture circles.

Andrew Maher, managing director of leasing for Equity Office Properties in Massachusetts, said there’s a “clear shortage of talent” when it comes to finding qualified property managers who can oversee the running of office buildings.

Maher, whose firm owns about 12.5 million square feet of commercial space in Massachusetts, said the problem is that many property managers tend to stay at buildings where they’ve worked a number of years and have become familiar with.

As a result, there aren’t a lot of experienced property managers out looking for jobs, just as the market is beginning to turn, said Maher.

Typical office-property managers, who can make solid six-figure salaries, usually have college educations, are familiar with construction-related and building-maintenance issues, are knowledgeable about budgets and finances, and know how to deal with corporate clients and bosses, Maher said.