

THE REAL DEAL

NEW YORK CITY REAL ESTATE NEWS

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Counting Condos

New development condos have been in the spotlight recently, thanks in part to the success of Extell Development's One57.

In May, Extell announced that the building (after hitting the market six months earlier) had sold 50 percent of its units, and had reached a milestone of \$1 billion in sales. The 90-story glass tower, which topped off last month, also announced that one of its penthouses had sold for somewhere between \$90 and \$100 million, a new high mark for condo prices in New York City.

Extell president Gary Barnett told *The Real Deal* that the lack of new construction in the last few years has helped drum up demand for his project.

"For the next couple of years, we're probably the only game in town — especially for that kind of quality," he said.

But One57 isn't the only new development in the city doing well. The median listing price for new development condos in Manhattan grew by 10 percent in May to \$1.49 million, up from the same period of last year, according to a report released by listings aggregator StreetEasy.

Contract activity and median sales prices for new homes in Manhattan and Brooklyn also increased year-over-year, the report said.



PROJECTS WITH SPONSOR UNITS STILL ON THE MARKET IN MANHATTAN		
Name	Neighborhood	Total units
Manhattan House, 200 East 60th Street	Upper East Side	581
The Sheffield, 322 West 57th Street	Midtown	580
99 John Street	Financial District	442
Trump Soho, 246 Spring Street	Soho	391
75 Wall Street	Financial District	349
515 East 72nd Street	Upper East Side	330
William Beaver House, 15 William Street	Financial District	319
225 Rector Place	Battery Park City	289
The Rushmore, 80 Riverside Boulevard	Lincoln Square	271
The Visionaire, 70 Little West Street	Battery Park City	246
123 Washington Street	Financial District	223
1 Rector Park, 333 Rector Place	Battery Park City	174
The Athorp, 390 West End Avenue	Upper West Side	161
6th on the Park, 1485 Fifth Avenue	Central Harlem	160
The Serial Wall Street, 40 Broad Street	Financial District	159
The Aldyn, 60 Riverside Boulevard	Lincoln Square	150
Azure, 233 East 91st Street	Yorkville	128
254 PAS at 254 Park Avenue South	Flatiron	123
One Museum Mile, 1280 Fifth Avenue	Upper Carnegie Hill	116
250 West Street	Tribeca	106
Tempo, 300 East 23rd Street	Gramercy Park	98
Griffin Court, 800 10th Avenue	Clinton	95
One57, 157 West 57th Street	Midtown	92
845 West End Avenue	Upper West Side	91
2280 Frederick Douglass Boulevard	Central Harlem	89
Reade57, 57 Reade Street	Tribeca	84
The Dillon, 425 West 53rd Street	Clinton	83
The Alexander, 250 East 49th Street	Turtle Bay	76
Soho News, 311 West Broadway	Soho	68
1200 Fifth Avenue	Upper Carnegie Hill	63
1212 Fifth Avenue	Upper Carnegie Hill	63
Walker Tower, 212 West 18th Street	Chelsea	50
151 West 21st Street	Chelsea	51
Chelsea Modern, 447 West 18th Street	West Chelsea	47
The Centurian, 33 West 56th Street	Midtown	47
River Ridge, 78 Ridge Street	Lower East Side	46
2130 Adam Clayton Powell Boulevard	Central Harlem	46
Observatory Place, 353 East 104th Street	East Harlem	41
Casa Hotel and Residences, 70 West 45th Street	Midtown	37
422 West 20th Street	Chelsea	36
The Moreline, 159 West 118th Street	Central Harlem	35
Isis, 303 East 77th Street	Upper East Side	32
124 West 23rd Street	Chelsea	29
42 West 120th Street	Central Harlem	28
Carriage House Chelsea, 159 West 24th Street	Chelsea	24
115 Norfolk Street	Lower East Side	24
Odell Clark Place I, 2373 A. Clayton Powell Blvd.	Central Harlem	18
323 Park Avenue South	Flatiron	16
422 West 20th Street	West Chelsea	15
Odell Clark Place II, 108 West 138th Street	Central Harlem	15
Spice Warehouse, 481 Washington Street	Soho	11
411 Manhattan Avenue	Central Harlem	10
607 Hudson Street	West Village	10
The Mark, 25 East 77th Street	Upper East Side	9
523 Canal Street	Soho	8
52 Laight Street	Tribeca	7

Source note: Data is from StreetEasy and from The Real Deal research. Only condo projects with at least five units for sale on StreetEasy were included. Excludes projects launched no later than year.

This month, *The Real Deal* mapped out all of the major Manhattan and Brooklyn for-sale buildings with at least five sponsor units still on the market. We found around 55 buildings in Manhattan, and roughly 20 in Brooklyn. We also took stock of the projects currently in the pipeline and slated to hit the market in the next several years.

The condos on our list came from StreetEasy, which often receives advance information about upcoming new developments, as well as from brokers, developers and news reports.

It's tricky to pin down exact figures about units in the pipeline, since developers often keep details under wraps when a project is in the planning stages. But *TRD's* analysis found more than 50 new condo buildings — roughly half in Manhattan and half in Brooklyn — some with hundreds of new units on the drawing board. The Marketing Directors put the number of condo units expected to hit the market in the next several years at about 5,580. In contrast, around 7,500 new condo units per year are absorbed in the city annually, according to the firm.

As a result of this inventory shortage, prices are expected to rise for all condos, new and old.

“There’s not a whole lot of people going crazy [building new developments,]” Barnett added. “It’s not easy to get projects done. It’s not easy to get financing. The leverage levels are way down.”

Extell, he noted, has several projects in the pipeline, including the 68-unit Helmsley Carlton House, a former hotel property set to return as a luxury condo in 2013.

Read on for a closer look at the Manhattan and Brooklyn buildings that hit the market in 2012, and a sneak peak at what’s coming down the pike.

PROJECTS LAUNCHED THIS YEAR

The Citizen (29 units)

124 West 23rd Street

Chelsea

Sales launched in early April at the Citizen, a 16-story doorman condo building developed by Anbau Enterprises. But Anbau told *The Real Deal* last month that sales at the building had been temporarily suspended in order to complete construction at the property over the summer.

Iva Spitzer, an executive vice president at the Corcoran Group, which is handling sales at the property, said it was difficult to market the building with no units to show prospective buyers.

Sales will relaunch in September, a spokesperson for the developer said, with prices ranging from \$650,000 to about \$4 million. The project is currently 45 percent sold, according to Stephen Glascock of Anbau.

PROJECTS IN THE PIPELINE IN MANHATTAN		
Name	Expected sales launch	Total units
1107 Broadway	TBA	145
90 East 57th Street	2016	128
The Madison Jackson, 371 Madison Street	Summer 2012	110
150 Charles Street	2012	98
93 Worth Street	2012	96
101 West 67th Street	2012	95
150 East 57th Street	TBA	93
221 East 13th Street	Spring 2013	82
Helenary Carlton House, 690 Madison Avenue	2013	68
11 Second Avenue	2013	64
35 West 15th Street	September 2012	58
200 East 79th Street	Fall 2012	45
145 West 14th Street	2013	37
The Charles, 1355 First Avenue	2013	32
250 Bowery	Summer 2012	24
455 West 20th Street	2012	23
The Chocolate Factory, 325 West Broadway	2012	20
11 North Moore Street	TBA	20
508 West 24th Street	Fall 2013	12
67 Liberty Street	Summer 2012	14
290 West Street	TBA	13
227 East 7th Street	Summer 2013	6
213 Sullivan Street	2012	TBA
852 West 24th Street	January 2013	TBA
135 East 79th Street	2012	TBA
241 Fifth Avenue	2012	TBA
Printing House, 421 Hudson Street	2012	TBA

Source note: Data is from StreetEasy and from The Real Deal research. Only projects expected to launch at least five units are included.

PROJECTS WITH SPONSOR UNITS STILL ON THE MARKET IN BROOKLYN		
Name	Neighborhood	Total units
The Edge - North, 34 North 7th Street	Williamsburg	563
One Brooklyn Bridge Park, 380 Furman Street	Brooklyn Heights	437
Oro, 306 Gold Street	Downtown Brooklyn	303
BellTel Lofts, 365 Bridge Street	Downtown Brooklyn	250
Toren, 150 Myrtle Avenue	Downtown Brooklyn	240
Cobble Hill Towers, 419 Hicks Street	Cobble Hill	180
The Shelton, 775 Lafayette Avenue	Bedford-Stuyvesant	83
The Waterfalls on Ocean, 1130 Ocean Avenue	Ditmas Park	67
205 Water Street	Dumbo	65
133 Water Street	Dumbo	62
The Knick, 314 Knickerbocker Avenue	Bushwick	49
Kirkman Lofts, 37 Bridge Street	Dumbo	45
Love Lane Mews, 9 College Place	Brooklyn Heights	38
20 Henry Street	Brooklyn Heights	38
The Venetian, 447 Avenue P	Midwood	33
The Carlton, 82 Irving Place	Clinton Hill	28
Collection Apartments, 994 Pacific Street	Crown Heights	21
122 Adelphi Street	Fort Greene	19
29 Montrose Avenue	Williamsburg	10

Source note: Data is from StreetEasy and from The Real Deal research. Only condo projects with at least five units available for sale on StreetEasy were included. Includes projects listed so far this year.

The Abingdon (10 units)

607 Hudson Street

West Village

Flank Architects purchased this former nursing home for \$33.3 million last January and converted it into condos. Two penthouses, priced at \$21 million and \$19.5 million, hit the market in April, and six of the building's other units came on the market last month.

The decision to bring the top-tier apartments to the market first was made to allow prospective penthouse buyers to customize their apartments (and possibly combine units) before other buyers came in, according to Tim Crowley, managing director at Flank.

The two penthouses are both in contract for close to their asking prices, Crowley said.

The remaining condos, which are nearing completion, are all larger than 3,200 square feet. The smallest, which is 3,263 square feet, is asking \$8.75 million. The largest, which is 3,537 square feet, is on the market for \$10.75 million.

Meanwhile, two ground-floor units at the base of the building will hit the market this fall, Crowley said.

PROJECTS IN THE PIPELINE IN BROOKLYN		
Name	Expected sales launch	Total units
500 Metropolitan Avenue	2014	234
388 Bridge Street	Spring 2013	144
The Bradford, 1560 Fulton Street	Summer 2012	105
367 Wythe Avenue	Summer 2013	84
202 8th Street	September 2013	51
290 Sackett Street	September 2012	32
91 Grand Avenue	September 2012	30
29 MacDonough Street	2013	25
503 Flushing Avenue	TBA	23
260 North 9th Street	TBA	20
154 North 7th Street	2013	18
The Warren Lofts, 335 Warren Street	Summer 2012	18
910 Union Street	Summer 2012	15
251 Columbia Street	2013	12
251 South 3rd Street	TBA	10
145 McGuinness Boulevard	TBA	10
199 South 1st Street	TBA	8
194 22nd Street	2013	7
125 Waverly Avenue	TBA	7
76 North 6th Street	Fall 2013	7
132 South 2nd Street	TBA	7
123 Fort Greene Place	TBA	6
217 Court Street	Summer 2012	5
248 Duffield Street	January 2013	TBA

Source note: Data is from StreetEasy and from The Roof Deal research. Only projects expected to have at least five total units for sale on StreetEasy were included.

Chelsea Green (51 units)

151 West 21st Street

Chelsea

Chelsea Green, a 14-story condo, hit the market in late May and was already 50 percent sold by the end of last month.

Sales in the 51-unit building so far have averaged approximately \$1,396 per square foot, for a total of \$31 million, according to Corcoran Sunshine, the exclusive marketing agent for the property. Construction is currently underway, with occupancy slated for fall 2013.

Developed by Alfa Development — the team behind the fast-selling, 36-unit Village Green at 311 East 11th Street — the project is comprised of one-, two- and three-bedroom apartments, in addition to a four-bedroom penthouse with a private roof terrace.

In March 2011, Alfa bought the land — which included the four brownstones that used to sit on the site — and development rights from Extell for \$17.14 million.

The property has incorporated green technology into its designs, including energy-efficient dishwashers and water-conserving faucets.

The Arman (8 units)

482 Greenwich Street

Soho

Sales launched in February at the Arman, a boutique nine-story condo under construction on the site of what was previously the studio of the late painter and sculptor Arman.

The eight-unit, Karl Fischer–designed building now has only three units remaining, according to developer Ben Shaoul of Magnum Real Estate Group. The building, which is scheduled for occupancy in the fall, features full-floor, three-bedroom units of approximately 2,470 square feet. The remaining units are priced from \$3.9 to \$6 million.

According to the Wall Street Journal, Arman’s wife gave Magnum the land in 2005, a year after the artist’s death, in exchange for several residences at the building as well as a parking space.

The building is being marketed by Leonard Steinberg and Hervé Senequier of Prudential Douglas Elliman. (See “The all-star team.”)

225 Rector Place (289 units)

Battery Park City

Emerging from years of controversy, the 289-unit condo conversion at 225 Rector Place returned to the market in May after a three-year hiatus.

Approximately 180 units are now on the market, priced between \$475,000 and \$1 million, with 12 more penthouses being held back till the fall.

The Related Companies first constructed the property in 1985 as a rental, then in 2005 sold it to developer Yair Levy, who planned to convert it to a condo. But Levy defaulted on his loans and the condo buyers there sued him over incomplete construction.

As has been widely reported, Related bought the building out of foreclosure last summer for \$82.8 million.

As *The Real Deal* previously reported, a state Supreme Court judge ordered Levy last August to pay \$7.4 million in restitution to the condominium, and permanently banned him from selling real estate in New York State after he was found guilty of spending millions of dollars of the building’s reserve fund money on personal and general business expenses.

Under Levy, 25 percent of the units in the building were sold. In the month since Related restarted sales, the company has sold an additional 10 percent of the units, to reach a total of 35 percent sold, a spokesperson for the developer said.

422W20 (36 units)

422 West 20th Street

Chelsea

At press time, there were only six units remaining at 422W20, the 36-unit condo developed by the Brodsky Organization, according to Corcoran Sunshine, the exclusive marketing

agent for the building. The project — which is just two blocks from Brodsky's Chelsea Enclave — hit the market in March.

The building, which was most recently used as a dormitory for married General Theological Seminary students, is slated to be ready for occupancy by the end of the summer.

The project includes one- to three-bedroom units ranging from \$640,000 to \$2.1 million. It has been selling quickly, thanks in part to its relatively affordable prices compared with other developments in the High Line-adjacent neighborhood, according to recent news reports.

Outside of this project, there are currently only 10 one-bedrooms on the market in Chelsea priced for less than \$750,000, according to StreetEasy.

Walker Tower (50 units)

212 West 18th Street

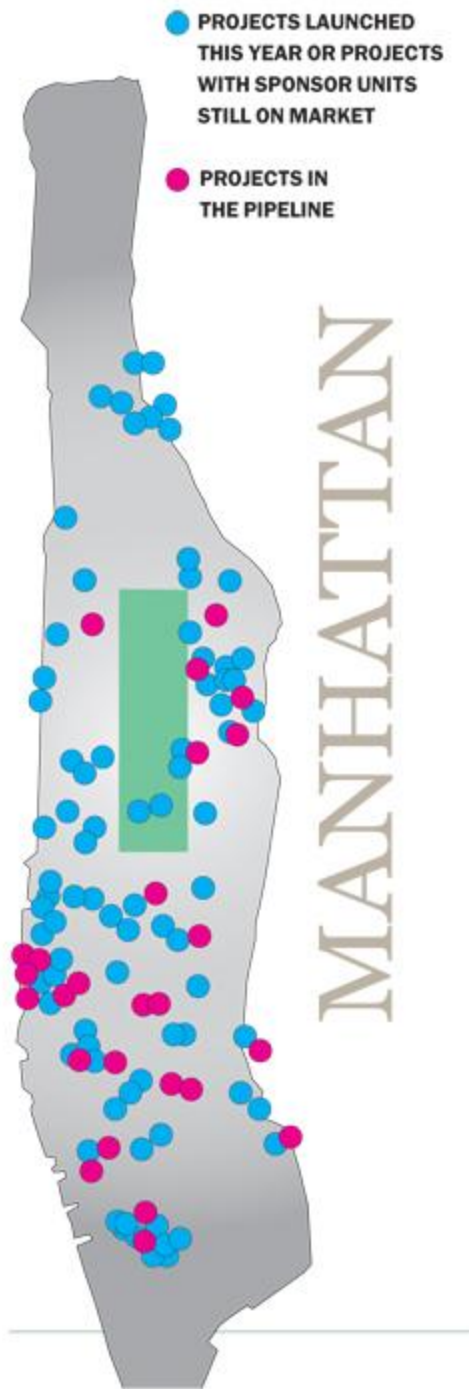
Chelsea

This conversion of the Verizon building in Chelsea, designed in 1929 by architect Ralph Walker, came on the market last month, with 50 condo units priced between \$3,000 and \$10,000 per square foot. Units range in size from 1,350 to 6,500 square feet.

The project is a joint venture between Michael Stern's JDS Development and the acquisition and development firm Property Markets Group. It was financed in part by Barry Sternlicht's Starwood Capital.

Core brokers Vickey Barron and Emily Beare are heading up sales. Architecture firm Cetra/Ruddy oversaw the conversion of the building to condos.

Verizon, which previously used the 24-story building to store copper wire for landlines, is retaining ownership of the second through seventh floors, which it will use as offices.



SELECTED PROJECTS IN THE PIPELINE

250 East 57th Street (320 rentals/condos)

Midtown

This \$700 million, 1 million-square-foot, mixed-use project is currently rising at 250 East 57th Street and Second Avenue. It's a partnership between the World-Wide Group, headed by Victor Elmaleh, and the Educational Construction Fund, a government fund that encourages development that includes new schools.

ECF, which owns the land, in 2006 selected World-Wide to develop the 1.5-acre site. The project is slated to include a Whole Foods Market, two new schools, a 59-story residential tower with 320 rental and condo units and an additional 78,000 square feet of retail.

The new, 38,000-square-foot Whole Foods is scheduled to open in the fall, while the residential units will be completed in a second phase of development beginning by the end of the year.

Stribling Marketing Associates has been tapped to head up sales. A spokesperson for World-Wide said it was not immediately clear when sales would begin.

211 East 13th Street (82 units)

East Village

New Jersey-based Ironstate Development is partnering with developers Charles Blachman, Abram Shnay and Shnay's son, Scott, on this condo building, which is slated for completion next year.

The developers bought the lots that comprise the site for \$33.2 million last October from Builtgross Associates, which had owned them since 1986.

The project, designed by BSKS Architects, will feature a mix of studios and one-, two- and three-bedroom apartments, plus 4,500 square feet of ground-floor retail space on East 14th Street.

The Marketing Directors will handle sales at the building, which is slated to break ground this summer. Sales will launch in the spring of 2013, according to the sales team.

Ironstate was not immediately available for comment.

The Printing House (TBA units)

421 Hudson Street

West Village

In January, a group led by real estate investment fund Belvedere Capital and private equity firm Angelo Gordon & Co. purchased this converted rental property — a former industry printing house — for \$67.6 million from Mountbatten Equities.

The purchase included the roughly 105 rental units in the 183-unit building. Mountbatten had previously sold the remaining units as condos.

The January sale came shortly after Mountbatten and Taconic Investment Partners settled a lengthy legal battle over the property. Taconic claimed it had a deal to buy the apartments for \$77.25 million in 2010, but that Mountbatten reneged and was only using the company as a “stalking horse” to find a rival bidder.

The new owners, who ended up paying nearly \$10 million less than what Taconic was supposed to pay, are now ready to sell the remaining units as condos. They’ve hired rental-to-condo conversion specialist Myles Horn, principal of MJH Birchwood, and sales are set to begin in September.

Ninety-five of the apartments in the building will be upgraded, and some will be combined to form larger units, *The Real Deal* has reported. It is unclear exactly how many units will be hitting the market in total, however.

Tricia Cole of Corcoran Sunshine is advising the owners on sales and marketing strategy. However, Corcoran Sunshine is not officially handling sales at the building yet.

345Meatpacking (37 units)

345 West 14th Street

Chelsea

Thirty-seven luxury condos are slated to be built at the site where rapper Jay-Z and hotelier Andre Balazs tried and failed to build a hotel.

After the investors defaulted on the property's \$52 million senior loan in August 2009, Jay-Z reached a settlement with the lenders and deeded the property back to them for the value of the senior mortgage.

DDG Partners, the developer of 41 Bond Street, then acquired the project's loan at a discount from Capital Source Finance and took control of the site in 2010.

The condo units are slated to come on the market by the first quarter of 2013, according to Joe McMillan, CEO of DDG.

The Madison Jackson (110 units)

371 Madison Street

Lower East Side

Sales at Michael Bolla's 110-unit condo project were supposed to launch this spring, but were bumped back to the summer, according to a spokesperson for Bolla, who did not respond to a request for comment on the reason for the delay.

A managing director at Elliman, Bolla — who had previously restored a historic townhouse in Chelsea — partnered with the Sung family on this Lower East Side project.

The six-story building, which was formerly home to a school, will offer loftlike units ranging from 700 to 1,600 square feet. There are also plans for a 7,000-square-foot penthouse. Prices are slated to start at \$542,000.

As previously reported, the building will be designed to appeal to the Orthodox Jewish community with 24-hour kosher and vegan food service, and a pool with designated single-gender swimming hours. Bolla also stepped in to save a Judaica store in the area earlier this year by arranging financing for the retailer who was having trouble making rent payments.

The Toy Building (145 units)

1107 Broadway

Flatiron

The Witkoff Group is working on a highly anticipated condo conversion of this former International Toy Center building, but it's not clear when the units will hit the market.

Witkoff, which acquired the 16-story property from the now-defunct Lehman Brothers in a one-day auction last September, will reportedly convert the building to 145 condos. The company, headed by Steven Witkoff, reportedly paid \$190 million for the building, and is planning to plow another \$100 million into renovations.

According to news reports, a Morgan Stanley real estate fund is providing financing for the conversion.

The building has been vacant since 2007. It was previously owned by Tessler Developments, but was returned to Lehman, its lender, when Tessler defaulted on its loan in 2010 — two years after Lehman declared bankruptcy. (Lehman emerged from bankruptcy last year and is now in the process of liquidating its assets.)

Witkoff did not respond to requests for comment.

150 Charles Street (98 units)

West Village

In the next few months, Elliman agents Leonard Steinberg, □ Raphael De Niro and Darren Sukenik will start marketing a new condo conversion at 150 Charles Street.

The conversion, also a Witkoff Group project, will have 98 units. Pricing has not yet been released. The property was formerly the □ Whitehall Storage building.

The new Cook + Fox–designed building, which retains the warehouse’s old three-story façade, is slated to add up to 20 stories, according to news reports. Not surprisingly, Witkoff has faced criticism from the local community over the proposed height. Neighbors argue that the addition will block light in their buildings. □ Plans also call for a □ series of waterfalls cascading from the roof to the street level of the building.



PROJECTS LAUNCHED THIS YEAR

20 Henry (38 units)

20 Henry Street

Brooklyn Heights

Developer Urban Realty Partners and its equity partner, insurance giant AIG, started converting this former candy factory to condominiums in 2007. But Urban defaulted on its loan from Bank of New York, and AIG collapsed during the financial crisis.

Then in 2010, Canyon-Johnson Urban Fund, the development team that includes NBA legend Magic Johnson, bought the stalled project, according to public reports. Bank of New York sold the note to Canyon-Johnson at a roughly 25 percent discount off the unpaid loan balance. It is not clear exactly how much Canyon-Johnson paid.

But sales started in February and, at press time, 25 of the project's 38 units were in contract, according to Stribling & Associates, which is handling sales in the building.

The project is slated for completion later this year, with closings expected to begin in late summer.

"Current sales are averaging more than \$1,000 per square foot, and four of the six penthouses are in contract," said Michael Chapman, an executive vice president at Stribling.

Fino 122 (19 units)

122 Adelphi Street

Fort Greene

New Fort Greene condo Fino 122 launched sales in February. The 11-story property is comprised of one-, two- and three-bedroom units with price tags ranging from \$295,000 to \$3.3 million.

The building, developed by Fort Greene resident and Venezuela native Antonio Calvo, is more than 15 percent sold, according to Halstead Property Development Marketing, which is handling the sales.

The project features private, keyed elevator access to all apartments, parking, a private roof terrace and a fitness and recreation room.

The project is Calvo's fourth in Fort Greene. He told *TRD* that he first acquired the site in 2005, but spent three years acquiring surrounding air rights before starting construction. The development was held up for another year because of an error on a document he submitted to the city Department of Buildings, he said.

The Venetian (33units)

447 Avenue P

Midwood

A decade after it was first planned, the Venetian condo in the Midwood section of Brooklyn finally came on the market in May.

As *The Real Deal* has reported, Sitt Asset Management (no relation to developer Joe Sitt) assembled the necessary parcels for the project in 2002 and 2003, with plans to bring a 54,000-square-foot project to the site. But due to a slow market during the recession, the developers delayed bringing the project to market until now.

The property, which was designed to look like a European Renaissance building, is being marketed by Elliman's Avi Voda and Rachel Medalie. Interiors are by architect Costas Kondylis.

According to Voda, there are contracts out on a couple of units, but none of them have closed yet.

29 Montrose Avenue (10 units)

Williamsburg

Apartments at 29 Montrose Avenue started coming on the market last month. The condos range from a 507-square-foot one-bedroom asking \$365,000, to a 1,061-square-foot two-bedroom asking \$659,000.

The project — which is being developed by the investment fund Pros Management — was stalled for more than two years, due in part to financing difficulties that arose from the debt crisis. It's being marketed by aptsandlofts.com.

David Maundrell, president of aptsandlofts.com, said Pros Management had also developed 189 Greenpoint Avenue and 121 Kingsland Avenue, both in Brooklyn.

Maundrell added that 50 percent of 29 Montrose is already in contract.

SELECTED BROOKLYN PROJECTS IN THE PIPELINE

388 Bridge Street (144 condos, 34 rentals)

Downtown Brooklyn

The Stahl Organization broke ground earlier this year on a 590-foot residential tower at 388 Bridge Street. The SLCE Architects–designed skyscraper is slated to include 34 rental units and 144 condos.

The \$265 million project has been in the planning stages for several years, with the developer painstakingly assembling batches of air rights. According to news reports, a loan

from an investment group led by M&T Bank at the end of last year finally allowed the development to move forward.

Upon completion in 2013, the building will be the tallest in the borough, but not for long: Just across the street at 88 Willoughby, AvalonBay Communities is planning a 596-foot, 860-unit rental tower. Construction on that project is not slated to begin until the end of the year.

Stahl did not immediately respond to a request for comment.