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NYP REAL ESTATE
HOME

**FIDI
RISING**

In the Financial District, real estate projects — and prices — are soaring to new heights

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CENTURY OF STYLE:
100 years after it was completed, the top of the iconic Woolworth Building is being converted into condos.

By MAX GROSS

HIGH FIDI

LUXURY REAL ESTATE IN THE SHADOW OF WALL STREET

ONE year ago, the Financial District seemed like a lost cause. Residents were still drying out from Hurricane Sandy, with thousands unable to return to their apartments due to lack of power. The humming of generators filled the air. Parts of the West Side Highway looked wet enough for a round of fishing.

Today, for much of the neighborhood, it's almost as though the massive storm never happened. In fact, FiDi is a twinkle in the eye of many of the city's most prominent developers. Ribbons were cut a week ago for 4 World Trade Center, and late next year, 1 WTC, aka the Freedom Tower, is set to open — bringing thousands of new people into the area each day. Residential projects that planted their flags in the neighborhood long ago are listing apartments for tens of millions of dollars. And new luxury projects are popping up everywhere.

"There's 17 new developments coming in FiDi alone," says Ariel Cohen of Douglas Elliman, who is selling 75 Wall St., which occupies 24 floors atop the Andaz hotel. "That's going to be amazing."

"FiDi to us is booming right now," echoes Rodrigo Nino, CEO of Prodigy Network, which is building a \$110 million extended-stay hotel called AKA Wall Street. "You see the emergence of the World Trade Center site with 80,000 people coming to work. Over 350 companies from Midtown moved downtown. The Fulton Center [the subway hub on Fulton Street, opening next summer] will be the city's third-largest train station after Penn and Grand Central, where 300,000 people are going to be commuting."

During October alone, Cohen's team put out contracts worth more than \$17 million at 75 Wall St. And the building — much like the rest of the neighborhood — has seen prices rise steadily: According to Streeteasy.com, the average listing at 75 Wall St. is \$1,651 per square foot, up from \$1,220 a year ago.

One of the people who bought in 75 Wall in October was Aishlinn O'Callaghan, who purchased a studio with a home office.

"I hadn't expected to like FiDi so much," says O'Callaghan. "Comparing the apartments in the condos in FiDi versus anywhere else in the city, they were so much nicer."

Indeed, whatever else must be said about FiDi, it offers much more bang for the buck than any other neighborhood — particularly one that sits on top of 10



dbox (above); workshop/apd (below); Brian Zak/NY Post (top right)



subway lines. The average price per square foot of a condo is still only \$1,088. But that could be changing. "Over the last decade, FiDi grew faster than Manhattan as a whole," says Jonathan Miller, president of appraisal firm Miller Samuel. According to Miller's stats, the price per square foot in FiDi rose 146 percent since 2000. (The rest of Manhattan is up only 124 percent.) And the next round of condos will take things to an even plusher level.

At the Residences at W New York Downtown, for example, a new 11,506-square-foot penthouse

PLACE YOUR BETS: 30 Park Place (top), a Four Seasons hotel and condo, will be down the block from the Woolworth Building. The W (above) is selling a \$42.4M penthouse.

was recently unveiled on the 55th and 56th floors. The asking price is \$42.4 million.

"It's a combo of six apartments that's going to be custom-built for whoever buys it," says Jacqueline Urgo, president of the Marketing Directors.

Of course, the W Residences (which had its first move-ins back in 2010) has more than just penthouses. According to Carolyn Sebba, director of sales, available



O'YEAH: Aishlinn O'Callaghan purchased at 75 Wall St., the condo above the Andaz, where prices have shot up in recent months.

studios start at around \$1 million, one-bedrooms at around \$1.4 million and two-bedrooms start at \$2.25 million. "People who own have their own private entrance, elevator and amenities — but they also have access to the hotel amenities." Breakfast in bed from the BLT restaurant, anyone?

Yet 75 Wall and the W are the tip of the iceberg: Silverstein Properties is putting up an 82-story tower at 30 Park Place, which will consist of 157 condos atop a 185-room Four Seasons hotel. The architect on the project is none other than Robert A.M. Stern of 15 Central Park West fame. The condos are expected in January 2016 (the hotel rooms that July), and while prices haven't been set, one can expect them to be high.

Down the block, one of the most iconic of all New York buildings, the century-old Woolworth, just received landmark approval to move ahead with their condo conversion.

"We should launch [sales] in the second quarter of 2014," says Ken Horn, president of Alchemy Properties, which is doing the conversion. "From a design point of view, we want to be true to the ethos of the Woolworth Building — we don't want to make it into something that it's not."

Alchemy is keeping the units large — there will be only 36 apartments — and the crown jewel of this building will be the penthouse, a "six- or seven-story sky castle," Horn says, which should measure somewhere between 7,000 and 8,000 square feet. Prices haven't been set, but one can surmise that they'll be just as astronomical as those at 30 Park Place.

And since 8 Spruce St. — the wavy building that was designed by Frank Gehry — opened in 2011, FiDi's rental market has also become very high-end. One of the NYC skyline's most recognized Art Deco skyscrapers, the 1932-built 70 Pine St. (which, until

recently, housed AIG) is being turned into luxury rentals.

"When 70 Pine came onto our radar, we realized we could pick up from the foundations established by 8 Spruce St. and attempt to take it to the next level," says Adam Rose, co-president of Rose Associates, which is developing 70 Pine.

Playing with around 1 million square feet of space, 70 Pine (to be completed in a year) will unveil 644 apartments, 132 extended-stay hotel rooms, a rooftop club, a restaurant ("We are in discussions with a major restaurant group," says Rose), retail space and a La Palestra health club.

"From the high end of the market, it's going to be something very interesting to watch over the next year or two years," says Daniel Hedaya, president of Platinum Properties, which has had a foothold in the area for the past decade.

Of course, it's not all enormous (and enormously expensive) projects coming to the 'hood. There are boutique condos like 67 Liberty St., the 14-unit, 19-story building being sold by the Marketing Directors and consisting mostly of one- and two-bedroom units that was finished this summer. The remaining five units range from \$985,000 to \$1.46 million.

Despite the area's frothy future, many potential buyers remain focused on FiDi's Sandy-soaked past — and the flooded streets and buildings that put the neighborhood on the fritz for much of last year.

"It was definitely a consideration; I would have been remiss not to consider that," O'Callaghan says of the storm. But she is taking the long view: "I thought of it as a good opportunity to get in before prices got really high. In 75 Wall alone, prices have gone up since I bought. If I turned around and sold [my apartment] today, I'd probably make a profit."

OVER THE LAST DECADE, THE FINANCIAL DISTRICT GREW FASTER THAN MANHATTAN AS A WHOLE.