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The view from Downtown Brooklyn's almost completed rental building The Brooklynier.



Up and Coming in New York City

Some of the best deals in luxury rentals can be found in the city's emerging neighborhoods.

BY JILLIAN BLUME

New York's skyline is organic. It constantly changes, shedding and rebuilding, and expands, seeking new frontiers to develop. Areas that once housed industry, like the Meatpacking District, now house people, and new communities are formed. Instead of slaughterhouses,

Stella McCartney and Alexander McQueen move in. Warehouses are turned into luxury apartments. This is a neighborhood still in flux as high-end designers reside side-by-side with wholesale meat markets. And that's one criterion for the designation "up and coming."

What constitutes an up and coming neighborhood?

"Something that in previous years might have not have had such a predominant residential component to it and has now become more residentially developed," says Daniel Hedaya, Executive Vice President of Leasing and Management at Platinum Properties. "For example, the Financial District really started to transition post 9/11

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Emerald Green is the newest development in Manhattan's Hudson Yards. Above: the serene lobby offers a respite from the neighborhood's energetic streets. Left: artist's rendering of the recently completed building.

when the developers were giving great cash incentives to convert these buildings into residential developments. In previous years, this was more of a commercial area. After six o'clock, it shut down."

A neighborhood classified as emerging is one in which housing is being developed. People may have not seen it as a residential area, but it's obviously transitioning into one from a commercial or a desolate area. New types of shopping are slowly appearing to meet the needs of a larger population, such as grocery stores, coffee shops, and restaurants. It's an area where the real estate is new and the price is right, at least for a while.

Manhattan

There aren't many emerging residential neighborhoods left in Manhattan. Realtors list two at the moment: Hudson Yards and the Financial District.

The area now being called Hudson

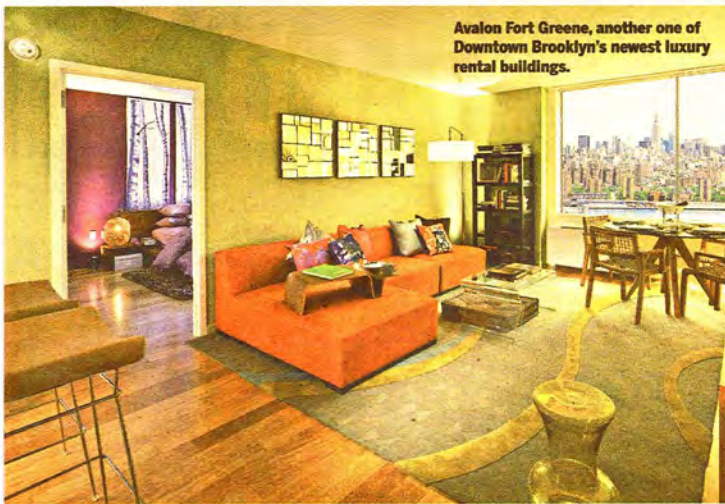
Yards is bordered by West 42nd Street and West 30th Street, Eighth Avenue to the Hudson River. "Right now the Hudson Yards neighborhood on the far west side is an up and coming neighborhood because they rezoned it, and there's a lot of available land," says Gary Jacob, Executive Vice President of Glenwood Management. "One of the tell-tale signs of an up and coming neighborhood is when you have loft or industrial type buildings that start getting converted to residential, and that's what we see in this particular area."

Hudson Yards has been experiencing a number of new, luxury rental developments, including Glenwood's latest development, Emerald Green. A eco-friendly building expected to receive LEED Silver certification, they rented 52 apartments the first weekend it opened. The building has condominium-style amenities such as the 50-foot lap pool with a separate whirlpool, a lounge



The High Line Park, one of the projects to revitalize the Hudson Yards neighborhood.

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Avalon Fort Greene, another one of Downtown Brooklyn's newest luxury rental buildings.

with outdoor seating area, a screening room, conference room, and library. There are numerous green elements, such as the strip bamboo flooring, which is a renewable resource because it grows very rapidly.

In Manhattan, which has some of the most expensive real estate in the world, prices tend to rise before the area has been fully developed. An example is the Financial District, where rents are high but the neighborhood is still in transition. Restaurants and bars are just starting to stay open later and on weekends, and the first grocery store, a Gristedes, only opened in 2007. Prominent rental buildings that were developed over the past year to 18 months include **20 Exchange Place**, **200 Water Street**, the second phase of **2 Gold Street**, and the Philip Starck designed **95 Wall Street** (also known as Dwell95).

Brooklyn

The majority of New York City's emerging neighborhoods today are in the outer boroughs, and Brooklyn has some of the most impressive development. Downtown Brooklyn, Fort Greene, Williamsburg, South Park Slope, Bushwick, and Smith Street are a few of the current up and coming neighborhoods.

"Downtown Brooklyn has a tremendous amount of luxury rentals coming out on the market, and it's going to most likely be at a reasonable price point. So anyone looking for value is going to be attracted to this neighborhood," says David Maundrell, President of aptsandlofts.com.

It's an area that's undergoing a complete transformation. "Usually, what I've seen happen in Brooklyn is that you build the residential and then the commercial comes. Downtown Brooklyn is actually the opposite," says Maundrell. "The commercial had already been there, and now the residential has been coming in slowly over the last few years. There's a lot of shopping available, which has been there for many years, so there is the base of a residential neighborhood."

The changes are happening at a faster rate now. For example, Columbus Park and its plaza next to Brooklyn Borough Hall are getting a facelift. Early 2010 will see a large project on Myrtle Avenue containing a Duane Reade, a supermarket, and 95 residential apartments. And a few new, luxury rental buildings are now on the market or due to open very soon.

One that's been getting a lot of buzz is **The Brooklynier**. Developed by the Clarrett Group at 111 Lawrence Street, it's the tallest building at this time in Brooklyn, soaring 500 feet with 54 stories. A modern take on the surrounding architecture, its façade consists of a combination of window wall and different colored metal panels in earth tones meant to evoke Brooklyn's historic brownstones. It's located in Metro Tech in downtown Brooklyn, which is going to be a neighborhood by the end of this year because over 2,000 people will be moving there into the new rental buildings," says David Perry, Director of



BKLYN Gold has just opened one of its buildings for leasing.

Leasing and Sales at The Clarrett Group. The Brooklner will have 491 apartments with condominium-style amenities like a 24-hour concierge and a fitness club. The Brooklyner will be open for occupancy in late 2009 or early 2010.

Avalon Fort Green, another new rental development, just recently started leasing. Located at 343 Gold Street, the building has 24-hour concierge service, a fitness center, residents' lounge with a Billiards table and flat screen TV, valet garage parking with onsite Zip cars, an urban park plaza, and sweeping views of Manhattan and Brooklyn. The apartments feature hardwood floors, kitchens with granite countertops and Energy Star appliances, washers and dryers, walk-in closets, and terraces in some units.

Occupying an entire block, **BKLYN Gold** recently opened for occupancy. Located at 257 and 277 Gold Street, the two buildings have 510 apartments that feature floor-to-ceiling windows, large closets with custom shelving, washer/dryers, elegant marble bathrooms, stainless steel appliances, and terraces in some residences. The condominium-style amenities include a sky lit indoor pool, a 6,000 square foot fitness center, residents lounge with a pool table and screening room, outdoor gardens, courtyards, parking, and landscaped roof decks with private cabanas and barbecue areas.

Soon to be completed, **DKLB BKLN**, located at 80 DeKalb Avenue, is a 34-story tower designed by the king of luxury residential buildings, Costas Kondylis. Going for a LEED Silver certification, the apartments will feature Caesar stone countertops, stainless steel appliances, bathrooms with Kohler fixtures, quartz countertops, and Japanese Elm custom vanities, washers and dryers, maple wood flooring, and high ceilings. The amenities include a 24-hour doorman, valet service, fitness center, screening room, residents lounge with a fireplace, Billiards table, and kitchen, a sundeck, and on-site parking.

Another neighborhood that is seeing a lot of new development is Williamsburg. "Williamsburg is more established in terms of nightlife and a

community, including shopping and bars and restaurants," says Maundrell. "But Williamsburg is still growing as a neighborhood. It's been a slow burn, and there's so much more upside for Williamsburg to go. The level of the buildings is being stepped up, and a lot of these buildings are very large, so they are going to have substantial commercial space."

New developments include **229 North 8th Street**, which went on the market last year as a condominium and has very recently converted to a rental. This 60-story luxury building features high-end finishes and appliances, floor-to-ceiling windows, rooftop sun deck, Billiards room, fitness center, and on-site parking.

Bushwick and Bedford Stuyvesant are also evolving. In Bushwick, **Castle Braid** is a unique new development that is being marketed as artist housing. Residents are provided with art studios, there's a library, a courtyard to screen films and experimental works, community classes, a shared rooftop garden, and affordable housing. Recently opened, **550 Irving Plaza Lofts** is designed to provide a resort experience in a rental. It has tons of amenities such as a heated indoor swimming pool, fitness center, rooftop sundeck with Jacuzzi and sweeping views of Manhattan, a game room with a pool table, Wii arcade system, storage rooms, and onsite parking. In Bed Stuy, **756 Myrtle Avenue** is brand new, with interiors designed by Andres Escobar and amenities including a fitness center, concierge, and parking.

There are plenty of other up and coming neighborhoods to keep your eye on, both in Manhattan and the outer boroughs. It can be exciting to get in on the ground level of a developing neighborhood and watch it grow. Most likely, you will find luxury apartments at lower-than-market prices with the latest technology, opulent finishes, and condominium-style amenities. And while in some areas you may have to walk a few blocks to buy groceries, the advantages far outweigh any short-term sacrifices.