

THE OBSERVER'S Downtown Living

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The Essential Resource
for Prospective Buyers
and Local Residents

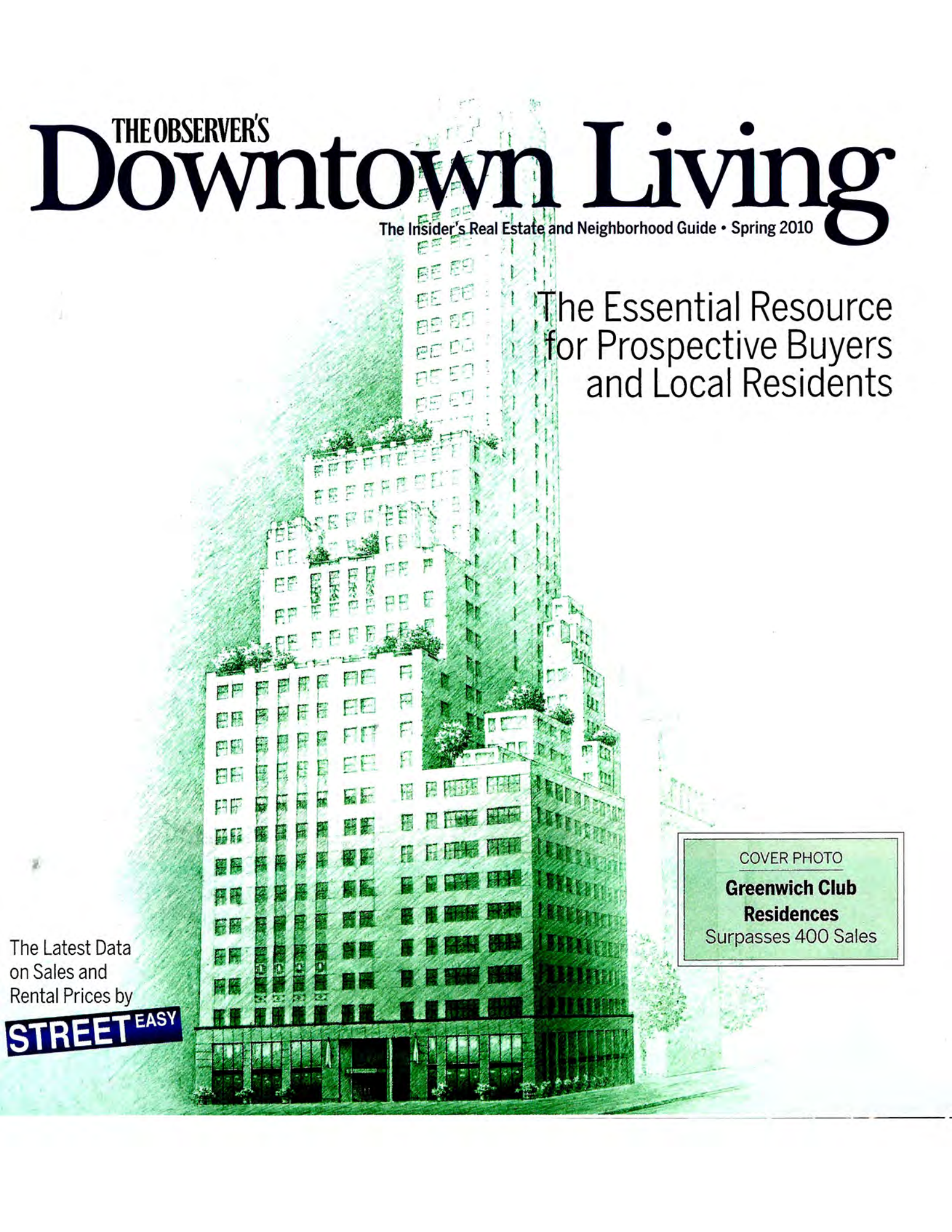
The Latest Data
on Sales and
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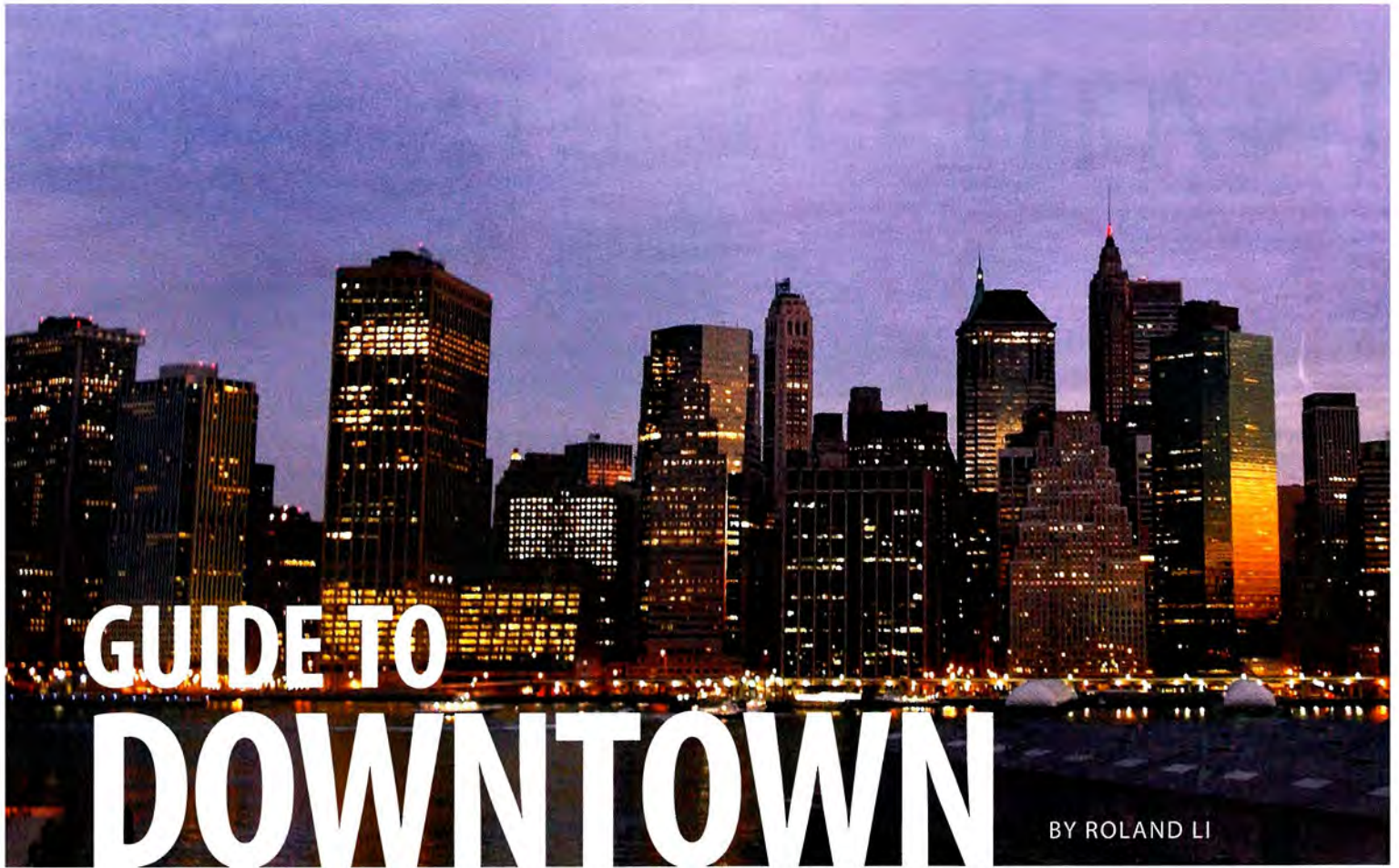
STREET EASY

COVER PHOTO

**Greenwich Club
Residences**

Surpasses 400 Sales





GUIDE TO DOWNTOWN

BY ROLAND LI

As the legend goes, Peter Minuit, director of the Dutch settlement of New Netherland, purchased the isle of Manhattan from Native Americans for 60 guilders, or about \$24. Although the truth of the myth has been questioned, it firmly established that from the very beginning the southern part of city was a nexus of trade and a place to get a great deal. From what was originally Fort Amsterdam, now Battery Park, would spring one of the world's great financial centers.

But New York below 34th Street has become known for more than the stock exchange. West Chelsea has become the most active art gallery district in the city and one of the most active sites of new development. Greenwich Village is an icon for counterculture, from the anti-war movement in Washington Square Park to the punk rock spirit of the Bowery and Lower East Side. Ethnic spice can be found not merely in Chinatown and Little Italy, but in the hundreds of restaurants throughout the

area, bringing in flavors from all over the globe.

Other downtown neighborhoods epitomize the tranquil residential ideal: the leafy, cobblestone streets of West Village brownstones are one of the most enduring images of residential New York. Battery Park City is an oasis of luxury towers, with state-of-the-art buildings systems and environmentally-friendly amenities.

And although the Financial District was the site of the last decade's two great tragedies: the 9/11 terrorism attacks and the economic meltdown, it has been resurgent as a community rich in history and a developing 24-hour residential and retail center. The towering buildings in the neighborhood are no longer just homes to stock brokerages and banks, but have become the homes of students and families.

No other part of New York is as vibrant, diverse and colorful as downtown. And as the spring gives way to a blazing summer of residential activity, you too can seek out a deal as good as Peter Minuit's.



Trinity Wall Street

Destination Downtown

If you decide to live Downtown, you'll be in good company.

Greenwich Village has historically been a hub for writers, musicians, artists and actors, and it remains one of the most desirable neighborhoods in the world. The performances of **Bob Dylan** and **Joan Baez** in



Washington Square Park were a seminal moment in music history. The park has become a character in its own right, appearing in the film *Searching for Bobby Fischer* and Henry James' Washington Square. The East Village will always be known as the birthplace of

punk rock and **Joey Ramone's** spirit will always haunt the Bowery. **Iggy Pop** still lives near Tompkins Square.

The Beat Generation of writers, including **Jack Kerouac**, **Allen Ginsberg**, and **William S. Burroughs**, set their novels in the Village, and literary giants like **Thomas Wolfe** and **Edgar Allen Poe** were also residents. The

neighborhood was also a center of modern art, with the likes of **Jackson Pollock**, **Willem de Kooning**, **Marcel Duchamp** and **Max Eastman** calling it home.

Actors **Hugh Jackman**, **Sara Jessica Parker** and **Philip Seymour Hoffman** all live in the Village, along with Condé Nast's **Anna Wintour**, **Graydon Carter** and **Malcolm Gladwell**. Anchorman **Anderson Cooper** recently purchased a firehouse in the area, and

directors **Peter Jackson** and **Spike Jonze**, and actor **Ben Stiller** live further south.

However, one of the most prominent figures in the Village isn't a celebrity, but rather an activist.

The Real Estate Market

The downturn appears to be thawing. Prices are still down from the peak levels of 2007, but lower prices are encouraging buyers, leading to more transactions. Greenwich Village in particular has an allure that is resilient to the economic cycle, but a lack of inventory means that finding a home can be challenging, according to brokers.

"I see a lack of inventory. Prices have come down to where people are staying put," says Glenn Schiller, a senior vice president at Corcoran, referring to sellers that are reluctant to put their properties on the market at a lower price.



Matthew Broderick and Sarah Jessica Parker



“You can buy a two-bedroom for \$750 per square foot, which is insane in Manhattan.”

— Shii Ann Huang, Senior Vice President and Associate Broker at Corcoran

corporate feel, it’s a neighborhood. It’s a wonderful place to raise children,” says Danny Davis, an agent at Citi Habitats, who lives in the area.

“I was an Upper West Sider for many, many years. I just got very bored uptown. Downtown you’ve got so many better options. I

love what they’ve done to the waterfront. The renovation has been unbelievable. You’ve got so many incredible options downtown. We rarely head uptown anymore. We love the vibrancy and fast pace, and my kids love it, too,” he says.

While prices are no longer as high as two years ago, he’s seeing some familiar practices return.

“The market in general for sales is going ballistic right now, at a frenetic pace where everything is selling. It’s made it incredibly competitive. We’re back to bidding wars,” says Mr. Davis. “If something is priced well and in a prime location, it will sell, and it will sell well. And it will sell quickly.”

Part of the resurgence in sales is tied to Wall Street’s rebound. The Dow Jones Industrial average has been flirting

with 11,000 points, a number it hasn’t hit since 2008, and while analysts caution against excessive optimism, profits are leading to a bigger pool of buyers in the luxury market.

“It’s all directly related to Wall Street. When Wall Street is doing well, real estate will do well,” says Mr. Davis.

Not only does Wall Street’s income fuel the residential market, but the Financial District itself has become a residential force. The south side of Wall Street is now entirely co-ops and condos, aside from the Stock Exchange, which is indicative of its continuing transformation from a nine-to-five business hub into an exciting residential neighborhood in its own right. And in a price-conscious market, the area has an advantage compared to its more expensive West Village neighbors. Perhaps the biggest endorsement of the Financial District came from developer Kent Swig, who dubbed it in the tradition of other residential neighborhoods: “FiDi.”

“I think the Financial District is one of the best values in the city right now. Property values down there are really excellent,” says Shii Ann Huang, a senior vice president and associate broker at Corcoran. “It’s become more diversified in terms of

“I think it’s a great time to buy. The available stock has become more affordable,” he says.

The East Village in particular is known for its affordable walk-ups. But the sales inventory in the area is limited, and the nearby Lower East Side is mainly rentable buildings, including three large co-ops: Hillman, East River, and Seward Park Housing Corporations.

Nonetheless, the stock that is available has benefited from price drops ranging from 10 to 20 percent compared to the peak market price in 2007. In the generally more expensive West Village, where 24-hour doorman and luxury amenities are more common, there has been strong interest following lower prices.

“The overpriced properties have come down in price. What was overpriced in the

past is fairly-priced in the present,” says Abigail Agranat, a senior vice president at Prudential Douglas Elliman.

Chelsea Enclave at 177 Ninth Avenue, marketed by Corcoran, has seen discounts as high as 26.8 percent on condo units, according to data from StreetEasy, and many deals there have closed.

Tribeca and Soho are also highly desirable neighborhoods, and continue to see an active market in higher end sales.

“Tribeca went from an industrial epicenter for artists for creativity—it’s basically changed to the land of Oz for families and children under 10. You’ve got incredible parks, wonderful restaurants that are children-friendly. It’s not a fancy neighborhood, but it has fancy restaurants. It’s not the Upper East Side. It doesn’t have that

ownership, making it a less transient neighborhood. You can buy a two-bedroom for \$750 per square foot, which is insane in Manhattan."

In comparison, a residential building on the Upper West Side might cost as much as \$1,500 per square foot. Furthermore, choosing to live in the Financial District—or any neighborhood, for that matter—is not merely choosing a home, but also a neighborhood. And for those that yearn for diversity and nightlife, downtown has great appeal.

"Everything is so close, you have all types of buildings. You have a rental building next to a prewar co-op. I think that's one of the things people love about downtown. It feels very much alive, because it's constantly shifting. That's what attracts people to

downtown. You're not in a cul-de-sac in a suburb where everything looks the same," she adds. "I see a lot of people not working at the Financial District looking to live in the Financial District. You have buildings with full amenities. Plus you have this pricing that's almost out of borough."

In a heavily price-conscious environment, such value is an asset, especially when luxury buildings in the Financial District retain West Village-type features like doormen. As a result, the population of the square foot mile below Chambers Street has doubled since 9/11, thanks to attractive building stock and aggressive efforts by local groups to change the environment from business to residential.

In the last few years, one person has been at the center of this evolution.



Battery Park City

The Rental Market

As with the selling market, rents revolve around the same factors: seasonal demand, market prices, inventory and availability. As spring gives way to summer, more people start looking for new leases. Compared to last year, the rental market already has a better outlook, but it's still uncertain whether overall prices

strength is the disappearance of rental incentives, which might include a month of free rent, in order to entice tenants to a particular property in desperate times. But as the economy has recovered, such incentives are disappearing, says Mr. Krispin. Landlords are instead trying to circumvent broker's fees by advertising directly to renters.

"We're seeing a definite influx in rental activity," says

"Everything is so close, you have all types of buildings . . . I think that's one of the things people love about downtown."

will reach boom time prices any time soon. One legacy of the early downturn is that rents have stayed relatively lower.

"We did small deals in 2009. The rents obviously went down dramatically in 2009. I think what happened is a lot of people moved within the city, so there was a lot of movement from higher to lower rent," says Isaac Krispin, founder of the firm Urban Sanctuary. "You won't find \$500 a month, but you can find \$1200 a month, where a few years ago you couldn't find anything less than \$1700."

But one sign of market

Daniel Hedaya, executive vice president at Platinum Properties. "There are still a lot of availabilities out there. We are seeing the market pick up. There's a little more of demand."

"There's definitely some more confidence in the economy. People are investigating more expensive rentals," he says.

In particularly competitive cases, rental bids will go to a best and final offer. Possible tenants would submit a final offer, along with supporting documentation and financing, and the highest bid would win.



West Village



The High Line

"If you have multiple bids for the same property, the broker will say, come back with a best and final offer," says Danny Davis of Citi Habitats, who recently saw three best and final offers for a rental in Nolita. "It's a way of getting top dollar, and the highest bid."

As with the selling and buying markets, rent prices are largely dependent on neighborhood. The West Village, with its brownstones and luxury amenities, is generally more expensive than the East Village, which has walkups and co-ops. Tribeca and SoHo command some of the highest rents, while the Financial District is again seen as a bargain by brokers, similar to the selling market. But generally, renting is a safer, cheaper decision in an uncertain market.

"I would strongly recommend renting, and coming back in a year when the market is stronger," says Mr. Davis.

New Developments

Development in the heart of Greenwich Village is rare, due to strict historic district laws and the lack of development

sites. Development that does occur is usually targeted towards very high-end buyers.

"A lot of the East, West, and Central Villages are established Villages. There's not a lot to build on," says Richard Grossman, executive director of sales of downtown for Halstead Properties. "If you're building in this neighborhood, you're building super-expensive."

One such property in the West Village is Superior Ink, a set of townhouses and condos overlooking the Hudson

River. The site is named after a factory that used to occupy the space, and condos range from \$2 million to \$14 million, with the 6,321 square foot penthouse's asking price a staggering \$39.5 million, according to StreetEasy data.

Further north on the West Side is Chelsea, which has become one of the most active development areas in the city. Residential development has benefited from the creation of a substantial art gallery district

and the High Line park. The Chelsea Market, an interior retail space that includes a bookstore and tea shop, is also a popular destination for residents, and Chelsea Piers, on the Hudson River, is a major attraction.

"There's been a lot of new residential development which has made it a more attractive place to live," says Millie Perry of Stribling Marketing Associates, the sales director of a new condo tower at 456 West 19th Street, near the High Line.

In the Financial District, the

143 condos and a Four Seasons hotel has been proposed, but construction has been delayed. A Frank Gehry-designed tower known as the Beekman, with 900 residential units and a 100,000-square-foot public school, has moved forward in its construction at 8 Spruce Street.

Another popular way of creating new residential stock in the Financial District is the conversion of commercial space into residential, with the help of subsidies. 20 Exchange Place was originally

"There's been a lot of new residential development, which has made it a more attractive place to be."

— Millie Perry, Stribling Marketing Associates

World Trade Center site is one of the largest project sites in the entire city, but one that has been plagued by long delays and issues of financing. One of the great victims of the recession has been the construction industry, with industry-wide unemployment estimated at 40 percent. There are numerous stalled, or even abandoned projects. Along with the major towers at the World Trade Center, a nearby tower at 99 Church Street with a

constructed as the City Bank Farmers Trust Building in 1931, and was the fourth-tallest building in the world. The top 41 floors of the 56-story tower have been converted into 369 apartment units, with the developers using Liberty Bonds to finance the conversion. The residential building now has a 24-hour doorman and fitness center, mirroring existing luxury rental buildings.



The Village Highlights

Public elementary schools include PS 3 Melser Charette School and PS 41 Greenwich Village School, and the local middle school is Baruch Middle School 104. Private schools include the Grace Church School, St. Brigid School, and Regis High School. The major colleges in the area are New York University, The New School and Cooper Union.

Japonica (100 University Place, 212-243-7752) has a reputation for the city's best sushi, with the likes of Zagat gushing over the taste and texture of the restaurant's food. It was even immortalized on the cover of *The New Yorker*. The restaurant's regulars include **Sarah Jessica Parker**, **Elvis Costello** and **Diana Krall**.

For a mouth-watering 28 ounce T-Bone steak, **the Knickerbocker Bar & Grill** (33 University Place, 212-228-8490) has been the Village's choice since 1977. The restaurant cites its moderate prices and large portions as a recipe for popularity, and celebrities such as **Ben Stiller**, **Rachel Ray**, **Alec Baldwin** and **Susan Sarandon** have cited the restaurant as a favorite.

One of the first flavors of Tuscany arrived in New York through **Il Cantinori** (32 East 10th Street, 212-673-6044), which opened in 1983. Its chefs draw upon hundreds of recipes, varying with season, leading to varied but authentically Tuscan cuisine.

Across the street from the former location of **Tower Records** is **Other Music** (15 East 4th Street, 212-477-8150), one of the last record stores in Manhattan. The meticulous stock of CDs and vinyl range from indie rock staples to adventurous genres like psych-pop, shoegaze and minimal techno. The store regularly hosts listening parties and live sets, and sells tickets to the various shows throughout Manhattan and Brooklyn. The friendly staff is a great help in finding the next band to fall in love with.

Le Poisson Rouge (158 Bleecker Street, 212-353-3474) is a young music venue with a gorgeous stage and a great sound system. The space is delightfully eclectic, hosting contemporary classical music, rock and pop, and regular, free dance parties in the bar space. Although it's only been around for a few years, LPR is already shorthand for a fun, adventurous night.

The **Cube** at Astor Place is one of the most recognizable icons of downtown and a popular meeting spot. What is perhaps less known is that the actual title of the black square is *Alamo*, designed by sculptor Bernard Rosenthal. A rite of passage for New Yorkers is spinning the Cube around its bottom tip.

On **St. Mark's Place** is a colorful clash of street vendors, Asian restaurants, bubble tea, \$1 pizza slices and punk aesthetic. A deli called **Gem Spa** (131 Second Avenue, 212-995-1866) is known for its egg creams and **Mamoun's Falafel** (22 St. Mark's Place, 212-674-8685; second location at 119 MacDougal Street in the West Village) is one of the first Middle Eastern restaurants in the United States.

If you want to try hemp, coconut or soy-based ice cream, look no further than **Stogo** (159 Second Avenue, 212-677-2301), which features ice cream that is all organic, vegan and dairy-free. The store is named after Flavors range from mango to pomegranate chocolate chip to piña colada, ensuring that each visit will be unusual. The store is named after Malcolm Stogo, an ice cream consultant who designed the products.

It's hard to resist the temptation of **Pommes Frites** (123 Second Avenue, 212-674-1234), home of authentic Belgian fries that are twice-fried and wrapped in a paper cone. The accompanying sauces range from traditional frites sauce to exotic ingredients like sweet mango, pineapple, pomegranate and peppercorn, ensuring that there's a line for fries no matter what the hour.

Houston and Below Highlights

The crown jewel of **Keith McNally's** restaurant empire is **Balthazar** (80 Spring Street, 212-925-5340), which epitomizes a French bistro in the heart of Soho. The offerings include shepard's pie, short ribs and steak, and perhaps the only downside is the popularity of the restaurant - finding a seat can be competitive.

Prominent chef **Andrew Carmellini** oversees **Locanda Verde** (377 Greenwich Street, 212-925-3797), a casual Italian restaurant in Tribeca. Its name means "green inn," evoking a homely, neighborhood atmosphere. **Robert De Niro** is one of the owners.

Billy's Antiques (76 East Houston Street) is a purveyor of antiques and props, including posters, mounted animals and furniture. The outdoor space is a gateway to SoHo, and notorious for its bizarre items for sale, including mounted animal heads, posters and, until recently, subway signs.

If you want what she's having, visit **Katz's Deli** (205 East Houston Street, 212-254-2246), site of an infamous scene in *When Harry Met Sally...* The kosher-style deli is known for its pastrami sandwiches and hot dogs. It has also been active in its support for the U.S. military by sending care packages to troops deployed in Iraq and Afghanistan, with the motto "send a salami to your boy in the army," dating back to World War II.

The only place to see over a hundred films in a week and a half is the **Tribeca Film Festival** (Ticket window at 54 Varick Street, 212-941-2400) from April 21 to May 2 is a must. The festival was founded by Robert De Niro, Jane Rosenthal and Craig Hatkoff to revitalize lower Manhattan following the 9/11 attacks. It has become one of the largest film festivals in the world, attracting over 2 million visitors and generating around \$600 million in economic activity in the last decade. This year's festival features a documentary based on the book *Freakonomics*, a 10-year anniversary screening of the psychological thriller *Memento*, along with 85 feature films and 47 shorts.

Although **CBGB** is gone, independent music still thrives below Houston Street. The **Bowery Ballroom** (6 Delancey Street, 212-533-2111) and **Mercury Lounge** (212-260-4700) are two of the best music venues in New York, with intimate stages and a huge variety in bands. Further down on the Lower East Side are a slew of unique venues. **Pianos** (158 Ludlow Street, 212-505-3733) is a former piano store, while **Cake Shop** (152 Ludlow Street, 212-253-0036) sells baked goods and records upstairs, and hosts bands downstairs. **Arlene's Grocery** (95 Stanton Street, 212-995-1652) is a former Puerto Rican bodega turned concert space, and **The Living Room** (154 Ludlow Street, 646-602-9404) hosts local artists and the series *Kidrockers*, where parents can bring their toddlers.

If you want some modern architecture with your modern art, visit **The New Museum of Contemporary Art** (235 Bowery, 212-219-1222). Founded in 1977, the museum is Manhattan's only dedicated contemporary art museum. It opened its new building, designed by Kazuyo Sejima and Ryue Nishizawa, in 2007 - a striking stack of seven boxes, wrapping in a shimmering mesh. The museum commissioned the dynamic structure, which won this year's Pritzker Architecture Prize, as part of an effort to embody its mission of displaying eclectic and innovative art. Current exhibits include *Skin Fruit: Selections from the Dakis Joannou Collection*, curated by Jeff Koons, which runs until June 6 and *Museum as Hub: In and Out of Context REDUX*, which runs until July 25.

The Financial District Highlights

Downtown Manhattan is home to PS 234 and PS/IS89. Two schools, PS/IS 276 and the Spruce Street School, will open within the next year. Claremont Prep is the only private school, and is expanding to include a high school by the end of this year. There are three public high schools, including Stuyvesant High School, and a fourth public high school is opening. St. John's, New York Law School, Borough of Manhattan Community College, PACE University and Center for Worker Education are all in the area.

If you're tired of ham and cheese sandwiches, try **Baquette** (9 Maiden Lane, 212-233-3400), a Vietnamese sandwich chain that features exotic ingredients like cilantro, green mango and spicy curry beef on baguettes. While the prices are comparable to the more mundane varieties of sandwich, the taste is definitely not.

SHO Shaun Hergatt (40 Broad Street, 212-809-3993) is named after the celebrated chef Shaun Hergatt, a veteran of the Ritz-Carlton. His restaurant is located within a condo development called the Setai, and features an exotic blend of Asian-tinged French cuisine. Selections include frog legs, hearts of palm and veal tenderloin. It has received accolades from **Condé Nast Traveler** and a Michelin star rating.

The arrival of **The Capital Grille** (120 Broadway, 212-374-1811) in downtown two years ago, another sign of the transforming neighborhood. The elegant, chandelier-lit institution features aged steak, seafood and over 5,000 wine choices.

For unparalleled waterfront views, especially at sunset, try **Giginos at Wagner Park** (20 Battery Place, 212-528, 2228) and **Battery Gardens** (17 State Street, 212-809-550). The pristine location in Battery Park is one of the great assets of the Financial District.

There are no slices of pizza at **Harry's Italian** (2 Gold Street, 212-747-0797). Instead, patrons indulge in square or round personal pies. The restaurant is inexpensive and has staples of casual Italian food.

For those who like a little history with their meal, **Trinity Place** (115 Broadway, 212-964-0939) is set in the historic Trinity Building, a former bank that dates back to 1904. The front area includes a 40-foot mahogany bar anchored by Italian beer towers. It is known for its brunch.

Barbarini Alimentari (225 Front Street, 212-227-8890) is both an Italian grocery store and a restaurant, with outdoor seating and takeout options.

For a full list of Lower Manhattan restaurants, go to DowntownNY.com.

Public art has a major presence in the Financial District. Arturo Di Modica's *Charging Bull* symbolizes Wall Street's boom with its vigorous form and aggressive pose. Mark di Suvero's *Joie de Vivre* is a bright, tall structure in Zuccotti Park, Jean Dubuffet's Group of Four Trees marks the Chase Manhattan Plaza, and Maya Barkai's *Walking Men 99* is at 99 Church Street.

The **South Street Seaport** (Fulton & South Streets, Pier 17, 212-732-7678) is a bustling center of retailers, history and, over the summer some of the most exciting music in New York. As part of the River to River festival, the Seaport hosts free concerts on Fridays in July and August, with beautiful views of the East River.

The nearby **South Street Seaport Museum** (12 Fulton Street, 212-748-8786) includes a collection of authentic ships from the mid-1800s, docked on the harbor. The museum also displays paintings, ship models and ocean liner memorabilia. Current exhibits include *Treasures of a President: FDR and the Sea* and the *S.S. Normandie*.

The **Winter Garden at World Financial Center** (220 Vesey Street, 212-417-7000) is home to shopping and dining and hosts free arts performances including theater, concerts and art. The **Bang on a Can Marathon** kicks off the summer with an epic display of avant garde and experimental music in a performance that runs upwards of 12 hours.

The **Skyscraper Museum** (39 Battery Place, 212-968-1961) is devoted to the study of high-rise buildings in the past, present and future. The museum is hosting an exhibit entitled *China Prophecy: Shanghai*, which examines the city as a model for 21st century urbanism, and another on *The Rise of Wall Street*.

Castle Clinton (26 Wall Street, 212-344-7220) was originally a fort built in 1811 to defend against British attack in the War of 1812. It subsequently became a beer garden, exhibition hall, theater, and the city's first immigration station, predating Ellis Island. It is currently a historic landmark, with public tours and concerts during the summer.