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NY REAL ESTATE RESIDENTIAL

# Condos Stack Up in Downtown Manhattan

*Another Milestone in Rebirth of Lower Manhattan Since Housing Market Crash of 2008*

By JOSH BARBANEL

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Construction is under way at 30 Park Place in Manhattan, where condos will sit atop a new 189-room hotel. At right is the Woolworth Building. *Keith Bedford for The Wall Street Journal*

When \$1 billion in condominiums goes on the market later this month at 30 Park Place, a tower halfway between City Hall and the World Trade Center site, it will mark another milestone in the rebirth of lower Manhattan.

Since the city housing market crashed in 2008, developers and lenders have been shelving plans to build and finance condominiums in what were considered riskier and less-fashionable stretches of downtown below Chambers Street.

Now condos are coming back. At least 650 of them—most in five major projects—are due to go on the market this year.

That total contrasts with the 34 condo units completed below Chambers Street since June 2010, when the 58-story W Downtown Hotel & Residences opened a block from the World Trade Center construction site, according to a tally by the Alliance for Downtown New York, a business improvement district.



The condos coming on the market this year will be in both historic buildings, such as the ornate Woolworth Building, and in new towers. At 926 feet, Park Place will rank as the loftiest, topping out as the fourth tallest tower south of the Empire State Building.

Jessica Lappin, president of the alliance, said the condo surge reflects a neighborhood reshaped by \$30 billion in public and private investments, from the World Trade Center to new or rebuilt retail venues with upscale stores and restaurants to 18 new hotels

under development. "Every sector of the economy in lower Manhattan is humming," she said.

Projecting out through 2017, the alliance lists 1,346 condominiums planned or already under construction—the development pipeline—along with nearly 1,500 rental apartments. The figures include new buildings and converted office towers.

The condo renewal also reflects a surge in contracts signed in expensive large developments nearby in TriBeCa and the West Village, as well as in new Midtown skyscrapers. The strong market farther uptown led lenders in 2013 to provide financing to unfreeze some stalled projects downtown.

At 30 Park Place, a project that has been on the drawing boards since 2006, 157 condominiums are now under construction beginning on the 39th floor of the 82-story tower. The limestone and cast-stone building is designed by Robert A.M. Stern to evoke skyscraper architecture of the 1920s and 1930s.

The condos will sit atop a new 189-room hotel, the Four Seasons Hotel New York, Downtown, which also will provide services and manage the private residences. Most apartments will have three or more bedrooms.

They are being offered at just over an average price of \$3,200 a square foot, according to condominium filings. They include three penthouses offered for \$30 million and a fourth, on the 80th floor, for \$34 million.

That square-foot price is higher than the average price paid to a developer for any finished new condominium building below 14th Street, according to figures compiled by Gregory Heym, an economist with Brown Harris Stevens and Halstead Property.

But [Larry Silverstein](#), the chairman of Silverstein Properties, which is building 30 Park Place, said it was priced close to the average contract price a square foot last year, at 56 Leonard St. That modernist tower is about eight blocks north, closer to the center of TriBeCa.

At 56 Leonard, prices averaged \$3,300 a square foot, according to Corcoran Sunshine Marketing Group, including a top-floor penthouse that is in contract for \$47 million.

"It sold like hot cakes," said Mr. Silverstein.

Kelly Kennedy Mack, the president of Corcoran Sunshine Marketing Group, which is marketing both buildings, said she had seen buyers who started out looking in Midtown ultimately be drawn to new towers downtown "that have commanding views."

The Park Place building will rise next to the neo-Gothic Woolworth Building, where 34 condos are due in the fall to go on the market on the top 30 floors.

Kenneth S. Horn, president of Alchemy Properties, declined to discuss the pricing, but several brokers said they expected them to be in line with the Park Place building.

Across City Hall Park, one of the city's first high-rise buildings, a 10-story office building completed in 1883, is due to be converted into a condominium and hotel complex, including a new, 46-story building. The project by GFI Development and GB Lodging will be known as the Beekman Hotel and the Beekman Residences. A fall launch is planned.

Other buildings due on the market include 161 condos on the upper floors of the Verizon Building, a 32-story Art-Deco building completed in 1922 at 140 West St., according to Ben Shaoul of Magnum Realty.

Farther downtown, 191 condos are due to go on the market in the next few weeks at a long-delayed condominium, a 63-story tower at 50 West St., said Francis J. Greenburger, the chairman of Time Equities, the developer on the project. He said the condos would have unobstructed views on higher floors, but would over all be priced below the new buildings going up near City Hall Park, averaging \$1,800, a square foot (not counting the penthouse).

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