

NEW YORK POST

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COVER STORY

\$9.9 MILLION
150 E. 72ND ST.



The 21 units at Harry Macklowe's Upper East Side new development are large (this four-bedroom condo runs 3,543 square feet) and feature private elevator landings, spacious living and dining rooms and ample amenities.

RISING IN THE EAST

NEW CONDOS ARE COMING TO THE UPPER EAST SIDE,
AND PRICES HAVE NEVER BEEN HIGHER

By MAX GROSS

LONG before the first piece of limestone was laid for Rosario Candela's 740 Park Ave., in 1929, it seemed as if the words "Social Register" were carved on every door on the Upper East Side.

The grand apartment buildings of Fifth, Madison and Park avenues were large, expensive and protected by the most coldblooded of co-op boards. (If you didn't like it, you could always try Central Park West.) Newcomers were not exactly

greeted with open arms. At least this used to be the case.

"There's a new development resurgence, and it's very exciting," says Kelly Mack, president of Corcoran Sunshine, which is marketing the Mark, a condo-hotel building that features a \$60 million penthouse and has seen traffic increase fivefold over the past six months.

"What we're seeing is that the most anticipated and coveted new development locations in town [are on the Upper East Side] — and it's a new type of property. These buildings have grand designs but amenities of new

developments. For the first time in a very long time, these buyers have new options west of Third."

According to Mack, new-development sales are up 34 percent on the Upper East Side, compared to 24 percent in co-ops and 15 percent in resale condos. And real estate industry titans — names like Macklowe, Barnett and Zeckendorf — have begun snatching up any available land above East 59th Street.

"A condo is so appealing — you don't have to deal with a board, it appeals to a



The windowed eat-in kitchens at 150 E. 72nd St. come with stainless-steel Miele appliances and spacious pantries.

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Deep inside the belly

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wider array of buyers," says Richard Wallgren, executive vice president at Macklowe Properties.

Macklowe is turning the 103-unit prewar rental at 737 Park Ave. (across the street from you-know-what) into approximately 50 roomy condos, ranging from two- to five-bedrooms, which will start at around \$5 million for smaller units and go up to over \$30 million for the 5,630-square-foot penthouse.

Around the corner, Macklowe has another condo building under way at 150 E. 72nd St.; this is a 100-year-old, 32-unit rental that's being turned into 21 units, ranging from 2,316 to 4,500 square feet, with the most expensive five-bedroom currently on the market for \$14.1 million and will feature a penthouse that's planned in the \$20 million range.

Gary Barnett's Extell Development — best known for Midtown's One57 — is gearing up in the coming weeks to start selling Carlton House, its 68-unit condo building on Madison Avenue, across the street from Barneys.

"We're going to be starting at just under \$3 million, and going up to \$22 [million] or \$23 million," says Erika Jacobsen, director of sales. "That's not including the penthouse." Or the townhouse. The estimated price tag on those two units should be a cool \$65 million each. And the units promise to be huge: The penthouse will be 8,745 square feet, with 5,201 square feet of outdoor space, and the 35-foot wide townhouse will consist of 9,742 square feet of interior space.

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— Kelly Mack, Corcoran Sunshine

And these buildings are just the tip of the iceberg: At 530 Park Ave., Aby Rosen's RFR Holding is bringing 119 units to market; apartments will be priced between \$2,400 and \$3,800 per square foot. And 15 Central Park West developers Arthur and Will Zeckendorf are getting a 51-story condo building underway at 43 E. 60th St.

Given the volume of such high-end buildings, one should be wary of saying just how well these developments will do, though the initial results have been promising.

The Touraine, which Toll Brothers put in the works in 2010 and should be ready for move-ins this May, has already sold 21 of its 22 units.

(Remaining is a \$19.995 million five-bedroom, 5½-bathroom penthouse.) Prices hovered around \$2,500 per square foot, with the average apartment trading at around \$5 million. All were sold off of floor plans.

Skyline Developer's 45-unit condo building, 200 E. 79th St., went on the market in October, and was sold out by mid-January at about \$2,000 per square foot.

"The unique thing," says Skyline principal Orin Wilf, "is that every apartment we had listed there had a waiting list of at least 10 people for each unit."

Down the block, at 135 E. 79th St., more than 50 percent of the inventory (about \$100 million worth) has traded hands at the Brodsky Organization's 19-story, 30-unit condo building, with prices from \$7 million to \$50 million.

And while many developers have wanted to center around Park and Madison avenues that, too, is beginning to change.

"There are some people who will only live west of Lex," says Reid Price, managing director of new developments for Town Residential. "And most of the development is west of Lex... [but with the coming] Second Avenue subway, the eastern segment of the Upper East Side is going to get much more valuable. It's really going to change the whole complexion of the Upper East Side. First Avenue is not as far over as people once thought it had been."

Town's future Upper East Side project is the Charles, a 30-story, 29-unit condo building on First Avenue, between 72nd and 73rd streets, slated for completion in 2014. Prices for the

four-bedroom units, between 3,100 and 3,600 square feet, start at \$4.5 million and go up to \$8 million. There will also be a duplex penthouse, likely in the \$13 million to \$15 million range.

Buildings are also cropping up north of the 60s and 70s — Extell has just purchased development rights for two plots of land on Third Avenue between 93rd and 94th streets. And Toll Brothers did so well with the Touraine that it recently purchased 110 Park Ave., between 89th and 90th streets, which it's planning on turning into 11 full-floor duplex and triplex condos.

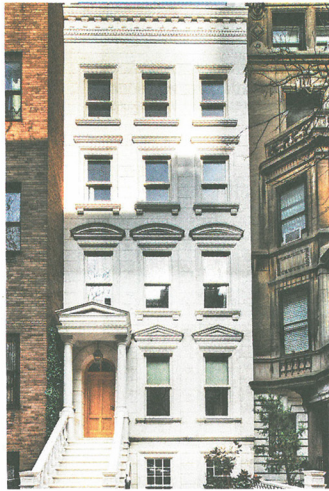
"It'll be very high-end," says David Von Spreckelsen, NYC division president at Toll Brothers City Living. "We're planning numbers that will eclipse what we got at Touraine."

Philip House, the 76-unit, prewar rental that is being converted into condos by the Cheshire Group (which also developed Devonshire House in the West Village), at 141 E. 88th St., should be ready for closings this spring. Philip House also proves that the super-high end can live side-by-side with the less extravagant — a one-bedroom went for \$850,000 and a two-bedroom is on the market for \$3.12 million, but the penthouses which have yet to be released are expected to range from \$8.5 million to \$15 million.

And one thing you can say about all this new product is that developers are not thinking about the word "affordable."

"My new joke," says Jacky Teplicky, managing director at Douglas Elliman, "is, 'Where is the affordable housing at \$1,400 per square foot?'"

But UES classics are still hot . . .



This 9,000-square-foot townhouse on East 24th is asking \$30 million. Agent: Paula Del Nunzio, Brown Harris Stevens, 212-906-9207

PHOTO BY CARY HOROWITZ

By MAX GROSS

IT'S an old story: Guy asks a cute girl for her phone number. She tells him to get lost. He is suddenly extra curious about her. It's more or less the same story with Upper East Side co-ops: The wealthy enjoy being told "no" by the likes of 740 Park Ave. (which reportedly turned away Barbara Streisand), 820 Fifth Ave. (which dinged Steve Wynn and Ron Perelman), 4 E. 66th St. (Perelman again) and 834 Fifth Ave. (you guessed it: Perelman).

"I've found they've gotten more difficult," Dolly Lenz, Douglas Elliman's vice chair, says of co-op boards. After the financial crisis, boards felt even more entitled to dig around prospective buyers' lives and finances. "They've had investigative reports on purchasers — and that wasn't the case before."

And prices have risen. "The co-ops are definitely increasing [in price] at a pace consistent with a recovering economy," says Wendy Maitland, managing director at Town Residential. "And the more prestigious buildings have set a few records." (Last year, David Geffen purchased Denise Rich's 12,000-square-foot spread at 785 Fifth Ave. for a record \$84 million.)

"I think [the neighborhood's popularity] is driven by schools," says Raphael De Niro, managing director of Douglas Elliman. "And the certain convenience of living near Fifth or Madison Avenue — high-end apartment buyers want to have that at their fingertips." And if not a co-op, buyers are looking at the neighborhood's magnificent townhouses.

"The way a townhouse fits into this, it offers the most square footage for the least price per square foot," says Paula Del Nunzio, managing director of Brown Harris Stevens. But even at a lower price per square foot, these townhouses are fetching never-before-seen prices. (According to Douglas Elliman's market data, in 2012 the average price per square foot of a townhouse on the East Side of Manhattan increased 5.8 percent from \$1,697 to \$1,796. A four-bedroom co-op on the Upper East Side, however, reached an all-time high of \$3,708 per square foot in the second quarter of 2012.) De Nunzio's townhouse listings include a \$24.5 million listing on East 65th Street; a \$30 million one on East 74th Street; and the Woolworth Mansion, on East 80th Street, for \$90 million.

"Hurricane Sandy made a lot of people look at the Upper East Side again, which had been sleepy for a long time," Lenz says. Her clients include Marc Jacobs, whose West Village home at Superior Ink was damaged by Sandy. "When he was on his tour [of an Upper East Side townhouse], he said he'd never move downtown again," Lenz says. "It's become the new trendy place to be."



Prewar Fifth Avenue duplex co-op with Central Park views lists for \$15.75 million. Agent: Raphael De Niro, Douglas Elliman, 212-460-0655

PHOTO BY EVAN JOSEPH

\$3.99 MILLION PHILIP HOUSE



The 76-unit Philip House, which includes this three-bedroom, 2,060-square-foot unit, should start closings this spring. There's a wide array of inventory from one-bedrooms to the penthouses, which haven't been priced yet but will be in the \$15 million range. Agent: Kristina Wallison, Stribling, 212-860-4188

\$8.5 MILLION CARLTON HOUSE



Prices haven't been finalized yet, but this three-bedroom at 385 square feet is expected to be priced at \$8.5 million. (The townhouse and the penthouse are looking at \$65 million.) But you get a lot of bang for your buck, including a terrace. And the building amenities won't be too shabby at Carlton House, which will feature a 64-foot pool, steam room, fitness center and game room. Agent: Erika Jacobsen Justo, director of sales, 212-680-0166

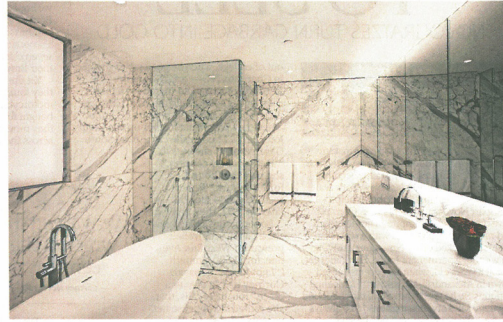


of the new Upper East

\$9.9 MILLION
150 EAST 72ND ST.



The north-facing units at this building occupying the corner of East 72nd and Lexington are four bedrooms and run 3,543 square feet, whereas south-facing units (bottom right) should run slightly smaller at 2,316 square feet and three bedrooms. But all were refurbished with an eye towards the sleek and modern. A 24-hour concierge will be on-site, and the building also features a fitness center as well as a playroom.
Agent: Dorothy Sexton, vice president of sales, 212-545-5000



\$19.995 MILLION
THE TOURAINE



The five-bedroom, 4,346-square-foot duplex penthouse is still available at the Touraine on East 65th Street. Agent: Florence Clutch, Toll Brothers, 212-576-1030

\$50 MILLION
135 E. 79TH ST.



Interior designer William Sofield is trying his hand at a residential property with a sleek prewar look at 135 E. 79th St., a 19-story building featuring 30 classic residences, including this 8,987-square-foot penthouse. Agent: J.P. Forbes, Corcoran Sunshine, 212-505-7900

PHOTO BY ARCHPARTNERS

\$4.9 MILLION
THE CHARLES



This 30-story building on First Avenue has been incubating for about five years now, but it's finally getting off the ground and setting a new price for property this far east. The full-floor residences, starting at \$4.9 million, will each have three to four bedrooms and range from 3,300 to 3,600 square feet. Prices haven't yet been determined for the penthouse, a duplex, but expect it to be between \$13 million and \$15 million. Agent: Reid Price, Town Residential, 646-998-7425

PHOTO BY WILLIAMS NEW YORK