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Park Avenue South Heads in New Direction

By GABBY WARSHAWER

Until recently, a stretch of Park Avenue South was easily defined by what it wasn't: an in-demand residential area.

Now, however, three luxury condominiums are under development on the avenue in the 20s. The amenity-laden projects have high-profile architects attached to them and are poised to lend the corridor—which is mostly made up of prewar commercial buildings—new cachet as a place to live.

At 323 Park Avenue South, on the corner of 24th Street, one of the last buildings designed by modernist architect Charles Gwathmey—who died in 2009 and is known for works such as the 1992 addition to the Guggenheim Museum—is rising.

Construction on the glassy, 14-unit condo began in February, and it is expected to be finished in the summer. Ten of the units are in contract, according to the building's broker, Efraim Tessler of Keller Williams.

Prices run between \$1.95 million for a 1,320-square-foot, two-bedroom apartment and \$7 million for a 3,101-square-foot, three-bedroom penthouse.

"I have two buyers who are there because of the architect," said Mr. Tessler, who is the son of Yitzchak Tessler, chief executive of Tessler Developments, which is developing the building.

A few blocks north, another in-progress residential development also has starchitect pedigree.

On the southwest corner of 28th Street, ground has been broken for 400 Park Avenue South, an angular 40-story tower designed by Christian de Portzamparc, the Pritzker Prize-winning French architect.

The building is being developed by a partnership of Equity Residential and Toll Brothers. The former is developing rental units on the bottom 22 floors and Toll, based in Horsham, Pa., is developing 99 condo units on the top 18 floors.

The building is slated to be complete in June 2015, according to Toll Senior Vice President David Von Sprekelsen, who said prices for the condos haven't been set.

Mr. Von Sprekelsen said the project marks the first time the firm has worked with an architect with the notoriety of Mr. de Portzamparc. He said the building



Mark Abramson for the Wall Street Journal

404 Park Avenue South under a white construction tarp.

would incorporate the developer's richest package of amenities for a New York City project, with features including a pool, gym, lounge, bar and meeting room.

"We expect it to attract a mix of families and international and pied-à-terre buyers," according to Mr. Von Sprekelsen.

He added that even though the building isn't in a "traditional residential neighborhood," the area is convenient in terms of proximity to other neighborhoods including Midtown.

Across the street from the Toll Brothers condo, at 404 Park Avenue South, Dutch designer Piet Boon—known primarily in Europe for minimalist, high-end



A rendering of 323 Park Avenue South.

interiors and furniture lines—is overseeing the conversion of the former office building.

The building’s roof garden is being created by Piet Oudolf, a Dutch designer whose credits include planting in Battery Park and the High Line.

Paul Bremmer, head of commercial real estate at the Netherlands-based Kroonenberg Group, which is developing the building, said the 58 units would range in price between about \$1.5 million and \$11 million.

Sales are expected to begin in February and the conversion is supposed to be finished in early 2014.

Mr. Bremmer said that in the two years his firm has been working on the condo conversion, the neighborhood’s offerings have become “more interesting,” citing nearby businesses that have opened in recent years such as the Eataly food marketplace and hotels such as the Ace and NoMad.

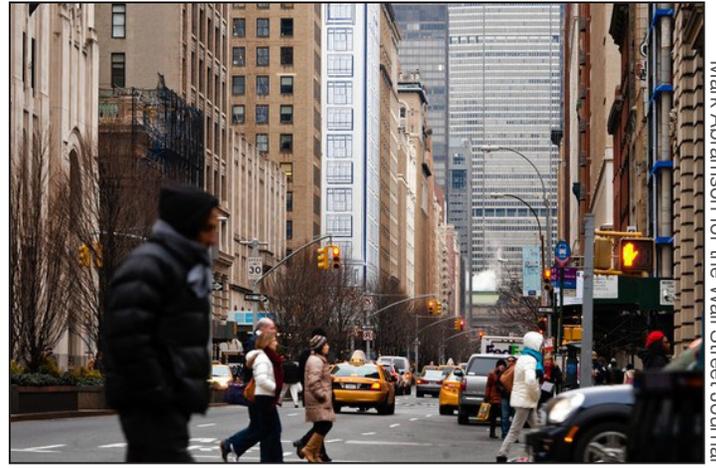
The area itself is sometimes referred to as NoMad, or north of Madison Square Park, though there isn’t a consensus that the moniker applies to Park Avenue South in the 20s.

More established neighborhoods nearby include the Flatiron District, Gramercy and Kips Bay. Park Avenue South in the 20s can belong to any or none of those, depending on whom one asks.

“Some people call it NoMad, but that’s west and they have their own thing happening there, and it’s definitely not Kip’s Bay or Gramercy,” said Julie Friedman, an executive vice president at the real-estate firm Bellmarc who has lived in the area for nine years.

“When I moved here, it was nondescript, but I could afford it.”

Ms. Friedman said that she believes it is starting to have its own identity and is becoming more family-friendly, as evidenced by regular sightings of “double strollers” on the sidewalks and new retail outlets such as

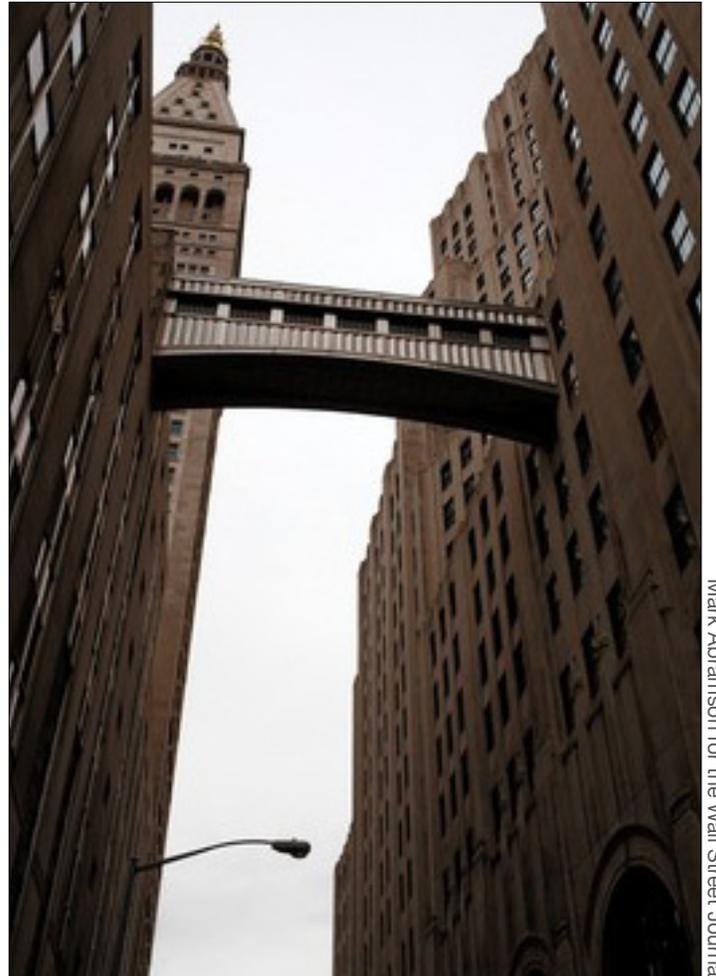


A view north up the Park Avenue.

children’s play space Kidville and a branch of the frozen-yogurt chain 16 Handles.

Others see the area becoming more associated with luxury.

“I think it’s going to be as upscale as south of 23rd Street,” said Ari Herrman, chief financial officer at Tesler Developments.



An elevated walkway in the neighborhood.