

DOWNTOWN MANHATTAN REAL ESTATE OUTPRICES UPTOWN MARKET

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56 Leonard

A slew of new luxury towers has pushed downtown New York City prices above those for their counterparts to the north.

Well-heeled New Yorkers are on their way down.

The average asking price for a downtown luxury apartment was \$2,777 per square foot in the fourth quarter of 2012, compared to \$2,685 per square foot in comparable units above 34th Street. The data, collected by the Corcoran Sunshine Marketing Group and first reported by The Real Deal, is based on a survey of 140 luxury condo and co-op buildings in Manhattan. It showed a 28 percent jump in downtown prices from 2011, while uptown prices remained relatively flat.

The price increase can be attributed in part to the plethora of new and upcoming downtown luxury high-rises, such as Chelsea's 24-story Walker Tower, which has attracted interest from Cameron Diaz, Blake Lively and Ryan Seacrest. These buildings have literally raised the bar, with asking prices of more than \$6,000 per square foot, a price point that the uptown market, with its relative scarcity of new developments, has difficulty matching. The Witkoff Group's 150 Charles Street condo in the West Village

is still mostly a collection of artist renderings, but since hitting the market in mid-February, it has already sold about 75 percent of its 91 units, the most expensive of which is going for \$7,592 per square foot.

“Uptown is tried and true -- if you list something pre-war uptown, you're going to sell -- but downtown really has the buzz right now,” Michelle Kleier of the Upper East Side-based luxury broker Kleier Residential tells *The Real Deal*. “Now, it's a lot more about the apartment for a lot of people. They're flexible on location. That fabulous apartment with a terrace and a view is worth moving for.”

Although the blue-chip buildings bordering Central Park retain their real-estate cachet, the improved amenities among downtown's offerings -- pools, gyms, roof decks and screening rooms, to name a few -- are luring celebrities who would otherwise be considered traditional uptowners. In October 2011, Alec Baldwin traded in his 3,000-square-foot Central Park West apartment for a larger \$11.7 million penthouse in Greenwich Village's Devonshire House, where Amanda Seyfried also has a unit. And two weeks ago, Chelsea Clinton and her husband, Marc Mezvinsky, entered into a contract for a \$10.5 million four-bedroom at The Whitman, a new condo building on East 26th Street overlooking Madison Square Park.

Construction on a 60-story condo skyscraper at 56 Leonard in Tribeca was stalled for more than three years during the financial crisis before being revived in October. Olshan Realty has reported that in the five weeks since the Herzog & de Meuron-designed building officially went on the market, 59 contracts have already been signed on units going for \$4 million and above, for an average of \$2,776 per square foot.

“We had always suspected that 56 Leonard would compete with luxury high-end properties in the midtown market,” Kelly Kennedy Mack, head of Corcoran Sunshine, which is marketing the tower, tells *The Real Deal*. “This is the first time that a product is being introduced to the downtown market that has ticked all of the boxes historically only checked in prime midtown.”

56 Leonard; Photo by Herzog & de Meuron

