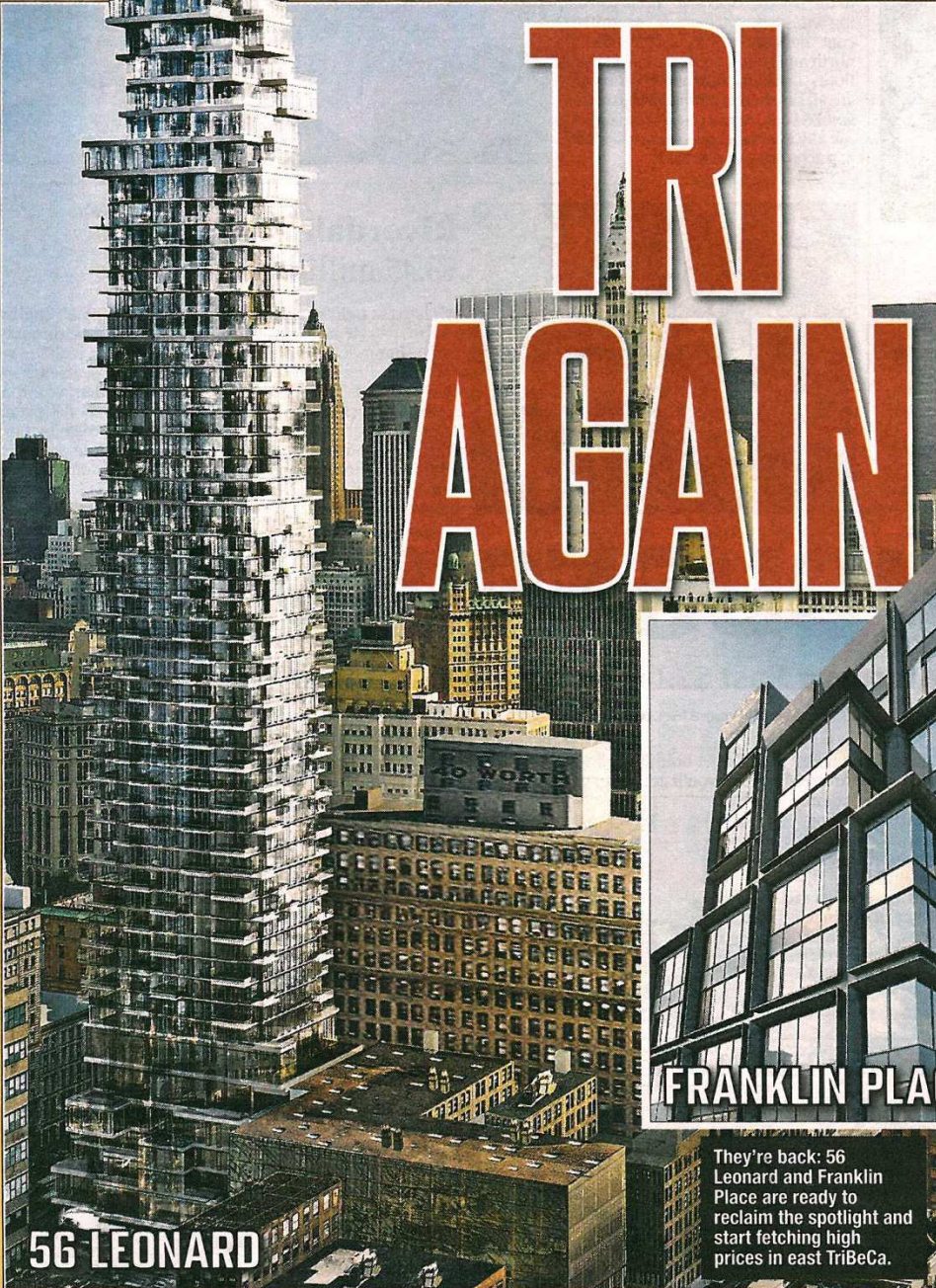


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Eastern TriBeCa buildings get one more chance to soar

By KATHERINE DYKSTRA

CALL them the comeback kids: 56 Leonard and 5 Franklin Place (now known as just Franklin Place), two ground-up luxury condo developments in the same eastern TriBeCa micro-neighborhood, are being resurrected — again.

Between them, the buildings — both announced in 2008 and having gone through the opening of sales offices and the start of construction, only to have sales stall and money dry up — have been knocked down more times than a Whac-A-Mole. But like the mole, they always return. Meaning, it's time once again to call this swath of TriBeCa, surrounding Broadway south of Canal, the next big thing.

And maybe this time it will actually happen. While rumblings of their returns have been around for more than a year, just last week 56 Leonard had its offering plan accepted, and the sales team is now meeting with buyers. The foundation of the building is finished, and construction is set to start this week.

The team anticipates move-ins for 2015. At Franklin Place, construction has begun with an eye toward a late-spring 2014 completion. Meanwhile, its marketing team is preparing to start sales in May.

"I really think the neighborhood will happen — 2008 was an extraordinary time," says Richard Cantor, principal of Cantor-Pecorella, which is selling Franklin Place. "I don't think we've seen as bad a time; I remember back to 1974, where you saw values going down and projects being abandoned. Now we're in an up cycle, which began in 2012 — and if it's like others, it will last for two or three years, at least."

Though much, in terms of their earlier failures, can be blamed on the economy, there were other things working against these buildings, as well. Their location in TriBeCa's eastern edge, for one. Many people move to TriBeCa for its quiet cobblestone streets and water views, neither of which exist on the east side.

"Western TriBeCa has proximity to the waterfront," says Ryan Kaplan, executive vice president of development at Imperial Development Group, which, with Megalith Capital Group, plans to convert 6 Cortlandt Alley, also in the same eastern swath, into "around" six



FRANKLIN PLACE

They're back: 56 Leonard and Franklin Place are ready to reclaim the spotlight and start fetching high prices in east TriBeCa.

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56 LEONARD

GIMME SHELTER KELLY BENSIMON ON PROWL

EASTERN PROMISES

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condo units.

"Northeast TriBeCa has been something of an overlooked area, especially when it comes to new development. You always think about that west-side stretch," says Douglas Elliman broker Fredrik Eklund, who is selling the condos at 50 Lispenard St. "What we're seeing now is this frenzy of activity in the northeast part."

If the sales at 93 Worth, a 92-unit condo conversion between Broadway and Church Street, are any indication, Eklund is right. According to Streeteasy.com, the 18-story building, originally built in 1924, has put 60 of its 92 units into contract since it went on sale 2½ months ago.

"The velocity of deals has far exceeded our expectation," says Shaun Osher, founder of Core, which is marketing the building. The units, which range from studios to three-bedrooms, plus penthouses, are priced from about \$1,300 to more than \$2,000 per square foot.

"The reason that Worth Street was so well received is it's authentic product," Osher says. "TriBeCa is a neighborhood of history."

Which brings up another reason some people said 56 Leonard and Franklin Place had such a hard time getting off the ground. Designed by the Pritzker Prize-winning Herzog & de Meuron and architect Ben van Berkel, respectively, they both look quite different from their low-



Richard Caplan

TRI HARDER: On the northeastern edge of TriBeCa is the conversion of 50 Lispenard into six condos. The 1,750-square-foot penthouse, with 1,000 square feet of outdoor space, is \$4 million.

rise, turn-of-the-century surroundings. The plan for 56 Leonard was 60 stories and resembled a glass game of Jenga. And Franklin Place was slated for 20 stories and looked like it was sheathed in black rubber bands.

While 56 Leonard has retained its design, Franklin Place has been reconceived. It has a new name: "We felt that we wanted to emphasize the Franklin Place street, and there was too much confusion with the original building," Cantor says. "We needed a name change to give the building a new identity without straying too far from the location or the original building." And it comes with a new

developer (El Ad) and a new design, too.

But it's 56 Leonard's modern design specifically that Douglas Elliman broker Frances Katzen says has two couples she's working with interested in the building.

"It's more view-centric," Katzen says. "It's cutting-edge. It's unlike most cookie-cutter buildings."

The units in 56 Leonard are priced to set records, ranging from \$2,000 to more than \$4,000 per square foot.

"TriBeCa has been such a prime hot spot in Manhattan, but northeastern TriBeCa is still a value play," Kaplan says. "For us, the building was an opportunistic buy because it

was affordable, but by the time we're done, [units] in that area will be as much as anything else."

When Franklin Place comes on the market in May, it will be priced in the \$1,600-per-square-foot range, with penthouses going for more than \$2,000 per square foot, Cantor says.

This micro-neighborhood is seeing prices increase to the levels of the rest of TriBeCa. Eklund says that he expects to close on the 50 Lispenard penthouse in the near future, for more than \$2,000 per square foot.

"We've raised the bar for northeast TriBeCa, pricing-wise," Eklund says.