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MARKETS | PROPERTY REPORT

New Condo Projects Put Leonard Street on the Map

Builders in New York's Tribeca look past Broadway for their latest residential developments

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A rendering of 91 Leonard Street in the Tribeca neighborhood of New York PHOTO: TOLL BROTHERS CITY LIVING

Broadway is no longer the hot address in Tribeca: Developers are choosing more exotic addresses on nearby side streets for new residential condominiums.

The latest example is 91 Leonard Street, an industrial-style tower rising on the site of two modest Broadway office buildings. It is connected to Leonard Street by what had been a narrow service corridor that snaked behind another building.

That 30-foot-long alley—only eight-feet wide in places—will now be the main lobby entrance for 111 new condominiums under construction in a 19-story building of large glass windows and dark terra-cotta panels. To compensate for its narrow width, the building entrance will soar to a 25-foot height and be lined with brick and illuminated bronze metal columns in keeping with the industrial motif.

The new condos went on the market last week by Toll Brothers City Living, a division of Toll Brothers Inc., TOL -2.24% at prices ranging from \$795,000 for studios to \$10.5 million for a four-bedroom duplex penthouse with outdoor space.

Brokers and marketers say that an evocative address that catches the imagination of buyers can translate into higher prices and faster sales.

Throughout the last century, Leonard Street—a short narrow side street of commercial and factory lofts—was overshadowed by some of the taller, grander buildings on nearby Broadway.

But it is Leonard Street that has cachet now, especially after the construction of a jaunty 821-foot-tall residential building at 56 Leonard Street, with a design by Herzog & deMeuron that created a tower of stacked boxes visible atop the New York skyline. It went on the market in 2007, and finally opened last year after a lengthy delay following the 2008 financial crisis.

“It put Leonard Street on the map,” said Leonard Steinberg, president of brokerage Compass, who is listing a 53rd floor penthouse at 56 Leonard for \$32.5 million. “It is instantly recognizable to a large group of people who know Tribeca.”

Branding is expensive, Mr. Steinberg said, and is difficult in a crowded condominium market. The name Leonard Street is valuable, because it is widely recognizable as Tribeca, while a building on Broadway could be anywhere in Manhattan.

Just diagonally across Broadway from 91 Leonard is a block-long landmark building topped by a clock tower that was created by McKim, Mead & White in the late 19th century as the home office of the New York Life Insurance Co.

It was long known as 346 Broadway. But now that the building is being converted to condominiums, it is being marketed as 108 Leonard Street instead.

On another corner a former office building long-known as 350 Broadway was converted to condominiums in 2014, by a sponsor named 350 Broadway Owner LLC. But the 66 condos there use an address of 101 Leonard. The building is named “The Leonard.”

Just up the street, 361 Broadway was celebrated by the Landmarks Preservation Commission in a 1980 designation as one of the largest cast-iron buildings in the city. But when it was converted to 13 condos last year, the sponsor, the 361 Broadway Associates Holdings LLC, listed the street address as 67 Franklin Street. The building is named “Cast Iron House.”

Richard Pandiscio, a condo marketing consultant, said that address naming is a fine art, long used by uptown developers and businesses who angle to be on Fifth or Park Avenues.

Some businesses, he said, want a Fifth Avenue address even if it is only a mail drop. Marketers point to buildings like the new condominium known as 520 Park Avenue, which is actually two buildings down from Park Avenue on East 60th Street. The builders, Zeckendorf Development, purchased air rights from Christ Church, a United Methodist Church on the corner, and obtained a license from the church to use the address.

“I often think of whether homeowners are going to feel good about saying their address,” Mr. Pandiscio he said. “Part of it is the sound, part of it is what they want” in the new building.

He said that some vanity addresses are confusing. “I always appreciate it if an address will tell me where something is,” he said.

David Von Spreckelsen, president of Toll Brothers City Living, said the original address of 351 Broadway didn’t tell buyers where the building was. “When you say Leonard Street you know that it is Tribeca,” he said.

The building was designed to flood the lobby with light, after condo owners pass through the entry corridor. There, they will face walls of glass facing a garden on several sides.

The Broadway side of the building will have ground floor retail space, and a service entrance for the condominiums.

Mr. Von Spreckelsen said that while many condominiums on the market in Tribeca are large, 91 Leonard has a mix of smaller, efficient studios and one-bedroom apartments, with lower prices. “We wanted to make Tribeca affordable to more people,” he said.

The building will have some luxury details as well, such as marble finishes in bathrooms, and marble kitchen counters, as well as an indoor 60-foot lap pool, a sauna and a steam room.

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