THE CITY

NEW YORK REAL ESTATE OF MIND

THE CITY IS BACK BIG TIME, AND THE MARKET IS BOOMING. REAL ESTATE INDUSTRY LEADERS AND INSIDERS BREAK DOWN THE TRENDS FOR AVENUE, FROM TROPHY APARTMENTS TO THE VALUE OF BUYING A CO-OP TO A SERIOUS LUST FOR OVER-THE-TOP AMENITIES AND MORE.
Hall F. Wilkie
Brown Harris Stevens
President, New York City,
Director of Important Residential Properties,
Director of IHS Partnering Worldwide

“This is a great time to buy. Sixty-five percent of the existing housing stock in New York are co-ops. I only know of one co-op that converted to a condo, which means they are here to stay. If you want to live on the Upper East or West Side, you must consider co-ops. The condo inventory is low and what is available is limited to the very top of the market. Co-ops are adjusting—they have added gyms and other amenities. The boards are loosening up. And while there have been adjustments, the prices have not dropped dramatically like the first wave of luxury condos. People holding off because of uncertainties in the market are now feeling confident. There has never been a better time to buy. You can no longer wait for the bottom because you cannot predict it. By the time it happens, it is over. There is confidence in the economy and more confidence in the world. New York restaurants are full. The streets are busy. People are feeling better.”

Stephen Kliegerman
Brown Harris Stevens
Development Marketing, President

“We have two new developments on the Upper West Side, both spectacular, both in desirable historic locations: the Vandewater in Morning-side Heights, home to Columbia University and Riverside Church and nestled between some of the city’s most beloved parks; and 200 Amsterdam, at the nexus of Lincoln Center and Central Park. These are traditional residential neighborhoods with leading cultural institutions, great schools, and universities, Central and Riverside Park, fine dining, and historic architecture. Post-Covid, a lot of executives are returning to the office. Our buyers are New Yorkers moving within the city or who have been asked by corporate headquarters to return. These are now their primary residences. With both the Vandewater and 200 Amsterdam, we also see empty nesters buying to be close to their adult children and grandchildren. Art Deco-inspired and elegant, 200 Amsterdam offers gracious layouts and heightened ceilings. The living and dining areas offer corner wraparound, floor-to-ceiling windows with views of Central Park and the Hudson River, bathing the space in light. The Vandewater takes its cues from the neighborhood, with a fresh take on neo-Gothic architecture with a cobblestone motor court, entertaining terraces, and peaceful gardens inspired by nearby Central Park. Oversized windows and a selection of private, setback terraces overlook the park and the river. Buyers are looking for spectacular amenity packages. At the Vandewater that means 24,000 square feet with a pool, gym, full-catering kitchens, dining room, club room, practice room, teen room (with private, soundproof study areas), children’s playroom, private garden, and on-site attended parking. At 200 Amsterdam there are three full floors of amenities, ranging from a spa and pool to a “Little Composers” room for children, a multi-sports simulator, private club, virtual offices, and more. Both buildings offer a sense of security and community with knowledgeable on-site staff, and programming for all ages. Both buildings reflect a trend of referencing history in modern architecture with a deep respect for the storied legacy of both the neighborhood and the city.”

Scott Durkin
Douglas Elliman
President & Chief Executive Officer

“There are two distinct buyers: condo and co-op. Co-op buyers are afforded great value because much of what is on the market needs renovation or redesign. People are afraid to buy co-ops along Central Park West, Park, and Fifth Avenue if they need work. As a result, the co-op market is the best value in terms of size and selection. The condo buyer is looking for the bow on the box, a product that has not been lived in, that is being delivered fresh, new, and designed by a star architect. Amenities are key right now, as people are working from home more than ever. They want an amenity floor with a gym, playroom, spa, restaurant, pool, golf simulator, doggie accommodations—all of it. They are looking for a lifestyle inside as well as out. The floor plan of today looks nothing like the floor plan of a decade ago. You have open kitchens leading to the dining room, to the living room, and den—it is all connected. Bedrooms are in a separate wing connected by galleries and hallways. In glass curtain buildings wall space is limited, so having grand entrée galleries and hallways creates spaces to display art collections.
"THE PLAYBOOK HAS CHANGED. PEOPLE ARE MAKING THEIR HOME THEIR ESCAPE."
—SCOTT DURKIN, DOUGLAS ELLIMAN

Many residences in new developments have five and six bedrooms, and this is also not their only home. They own in two or three locations: the Hamptons, Florida, Colorado, L.A. What’s interesting is that they like to replicate what they have from one home to the next. The playbook has changed. People are making their home their escape. The upper end of the market is very healthy. Residences over 3,000 square feet are moving. And there are bidding wars on rentals now. People are more confident. We are seeing buyers selling their large homes in Connecticut, Westchester, and Long Island and buying in New York City. Honestly, can you think of a better place to retire?"

Susan de França
Douglas Elliman
President & Chief Executive Officer, Development Marketing

"The new development market has experienced an uptick in 2023. Sales below $3 million dominated, but we have also realized activity at the top of the market, with eight sales exceeding $20 million. The demand for trophy properties remains strong given their limited supply. There is an increase in international buyers. New York is still a top market for high-net-worth individuals. In this post-Covid world, we have noticed a desire for larger spaces to accommodate working from home, and a desire for outdoor space, and amenity programs that focus on living well and wellness. The Waldorf Astoria Residences will have access to over 50,000 square feet of private amenities, ranging from a 25-meter pool with skylight, opulent private spa, and numerous entertaining spaces. This is the first-ever opportunity to own a residence within the Waldorf Astoria, an Art Deco icon. The unprecedented restoration is by Skidmore, Owings & Merrill, with landmark status that extends through the public spaces.

The residential interiors and amenities by designer Jean-Louis Deniot range from gracious studios to opulent four bedrooms and penthouses, many with unique floor plans and private outdoor space. The chance to own a pied-à-terre or primary residence with hotel services in a historic New York property appeals to both international and local buyers. We have seen an uptick of activity in Midtown. Another example is 53 West 53, a striking condo tower by architect Jean Nouvel, with interiors by Thierry Despont. Rising 82 stories above the Museum of Modern Art, the 161 residences include full-floor homes and duplex penthouses with private elevators. Thirty-thousand square feet of amenities, staffed and activated to provide five-star-hotel-level service, make this one of the most luxurious residential buildings in the world. The lavish full-floor wellness center includes a gym, separate high-and-low-energy fitness studios, spa facilities, a 65-foot lap pool, cold plunge pool, and hot tub. Other amenities include a private formal dining room overlooking Central Park, a library, and a double-height oenology suite for wine tasting with temperature-controlled wine storage vaults."
“Location, location, location. The most important thing is why somebody wants to live anywhere. The best locations in New York are the beautiful, landmarked co-ops and town houses along the historic thoroughfares with Central and Riverside Park as your backyards. There are many beautiful co-ops, but you cannot replace the Majestic, the Dakota, or 740 Park Avenue. The bones and the floor plans are timeless. There is a division between the public and private rooms, separated by galleries. People are staying away from the open floor plan and looking towards that timeless quality. Even if a preference is for renovated homes, there is an understanding that you can always renovate—but you cannot move an apartment that is on Third Avenue to Fifth Avenue. There are other positives to co-ops. Real estate is an important asset class within any portfolio. When you think of the co-op purchaser, the goal of the board is to provide financial and community stability. You may have condo owners who are buying for investment or income purposes, which is perfectly logical, but it is hard to create community around that. We are seeing a return to the Upper East and West Sides, to neighborhoods to put down roots, to the idea of generational homes. Co-ops are not only most of the housing stock, there is not a lot of new development in the pipeline. There is also the Upper East and West Side town house market. There is a greater luxury in life than a single-family home in the city? You have privacy, the garden, sometimes multiple outdoor spaces, and you have the separation of the family on the floors. It is a unique opportunity to really make something your own.”

Erin Boisson Aries
Douglas Elliman
Associate Real Estate Broker

“Over the last decade, luxury hotel-branded residences in Manhattan offering turnkey living experiences became very successful business models. There was always a need for an alternative to temporary housing, accentuated during the pandemic. Our customer was looking for a short-term home in residential neighborhoods that mimicked the design quality and feel of their primary residences. The Fasano brand is widely recognized throughout South America, with 26 restaurants and 11 hotels. They really reinvented the concept of understated luxury. Fasano Fifth Avenue is their first step into the American market. At 815 Fifth Avenue, the Fasano New York private, members-only boutique hotel appears as if it has always been there. Understated and elegant, conceived by Gero Fasano and Thierry Despont, it is a collection of three-bedroom duplexes and full-floor suites. Facing Central Park, the residences are individually designed by Despont’s eye for hand-selected pieces from collectable mid-century furniture to serious art, photography, and objects, lined in Loro Piana cashmere wallpaper. The duplexes are 3,600 square feet, with the main floor including a formal dining room, eat-in kitchen, and a sun-soaked living room with huge windows, a working fireplace, and 10-foot ceilings. The Fasano cafè, a chic venue with a world-renowned chef, provides in-room dining. There is a 30-day stay minimum, although many members opted for one- to three-year stays at record prices that exceed $120,000 a month. This was not what we anticipated; we thought the average stay would be three months. Due to the overwhelming success of this first venue, if the right opportunity presents itself, Fasano would like to expand in New York and they are currently at work on a new hotel in Miami.”

Cathy Taub
Sotheby’s International Realty
Senior Global Real Estate Advisor, Associate Broker

“Location, proximity, turnkey, amenities, the beautiful bones of a prewar with the advantages of a condo. On a boulevard of prewar co-ops, 555 West End Avenue, a Beaux-Arts gem within the Riverside-West End Historic District, stands out. Originally built as a private school in 1908, it is an outstanding architectural landmark with soaring ceilings and towering windows. Meticulously restored and reimagined as a boutique condo with 13 one-of-a-kind three- to five-bedroom residences, elegant materials and timeless details recall the classic style of grand prewar residences. Complete with an amenity package that includes a state-of-the-art gym, recreation room, and residence lounge. The Solarium Penthouse, formerly the school gymnasium, features dramatic architecture; its Great Room has a 19-foot arched ceiling with a full glass wall opening to a terrace that can accommodate large outdoor dinner parties. The 3,420 square feet, three-bedroom Solarium Penthouse is a once in a lifetime apartment.”
Lauren Muss
Douglas Elliman
Real Estate Agent, New York City

"Buyers are ready, they do not want to renovate. They want turnkey with minimal personal changes. The cost of doing work has gone up and the time it takes to renovate has in some cases doubled. Never condos provide anonymity, and fewer complications. One example is 224 Mulberry, located on one of the oldest, most charming streets in Manhattan in Nolita, is a stunning six-unit building that has the solid structure of a prewar with the rare combination of privacy and amenities."

Lisa K. Lippman
Brown Harris Stevens
Associate Real Estate Broker

"As James Carville said, ‘it’s the economy, stupid.’ It all comes down to price. There are exceptions—fantastic town houses and condos sell for more than you would think, and sometimes someone just must have it because it is so fabulous, but that is not happening with co-ops. If you are willing to renovate, and you found a great deal, the seller must be willing to negotiate. There are a lot of people from around the country that are excited about living in New York—from the Midwest, Texas, Florida, and many from California. And New Yorkers are back. Families still want to raise their children here. We also see the second generation, young people whose parents made their fortunes in finance. They are spending 10, 20, and upwards of $40 million on apartments, mostly downtown. The co-ops that are moving are in mint condition in trophy locations. That’s a great investment because you cannot recreate a prewar building in a great location. I have a listing at the Prasada at 50 Central Park West that my clients purchased in 2016. We priced it for a small amount above what they paid for it and we are turning down offers. The price keeps going up. Exquisitely renovated, 5,000 square feet, a combination of dramatic architecture with classic contemporary renovations—it is a rare, triple-mint Gilded Age mansion in the sky."
Prewar apartments were designed to be homes where you could sleep in one wing and entertain in the other.”

Richard Ziegelasch
The Corcoran Group
Associate Real Estate Broker

“I sold two apartments recently, one at 150 Charles and the other at 165 Charles. They sold for a tremendous amount of money. They were trophy apartments. They cannot be recreated. People are willing to pay because there is nothing else like them. If it is a trophy apartment, regardless of where it is, it will sell, and price will not be an issue. If it is not, then in this market everyone is a value buyer. I have an apartment now at 530 Park Avenue in a rare prewar condo that is beautifully renovated. The owners are a non-U.S. family who wanted a five-bedroom apartment and bought another condo on Park Avenue. I would say it is a trophy apartment—a beautifully renovated duplex, prewar condo on Park Avenue in the 60s, with amenities, that is priced to sell. It is elegantly done by an AD100 designer, William T. Georgis, with four bedrooms, four baths, a spacious living room, formal dining room with views onto Park Avenue from every window, chef’s kitchen, and primary suite with two additional bedrooms on the same floor. What I love about these sellers is they believe in New York. They traded up. I am so sick of people saying that everyone is leaving New York. I just closed two apartments for over $150 million and most of my buyers are New Yorkers.”

Richard Steinberg
Compass
Real Estate Agent

“If I were a young family with children, I would not consider any other neighborhood than the Upper East Side. If you want to send your children to private school, you have the largest concentration on the Upper East Side. There was a migration of New Yorkers to Florida, but they are coming back. It was appealing during Covid, but it is not New York. They worried about the educational opportunities for their children, and they missed the museums and galleries, the theater, the pace. There is great value on the Upper East Side. People whose children are now adults no longer need those very large apartments, and they realize that if they want to sell, they must come down. I think the classic apartments will hold their value long term. The problem with many of these new, amenity-rich buildings is that they will not age like the classic prewar apartments on Fifth and Park. I have a listing at 755 Park Avenue, on the top floor, the most desirable line. There are no interior rooms—the entire apartment wraps around the building’s corner, so every room faces out. This eight-room residence was meticulously designed by Vicente Wolf. The entrance gallery is bright and beautiful, leading to the bedroom wing, the library, and powder room. The living room, with 10-foot ceilings and oversized windows, flows into a dining room made for entertaining, and a windowed chef’s kitchen. The bedroom wing includes two en suite baths and walk-in closets, and there is a staff room off the kitchen.