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March 5, 2015

**GIMME  
SHELTER**  
Derek Jeter moves  
out of West Village  
townhouse

**Canny NYC  
developers give  
new life to struggling  
Gotham projects**

## COMEBACK KIDS

By HEIDI MITCHELL

**I**N Manhattan's crowded real estate bazaar — some 6,000 apartments are estimated to come on line in 2015 — competition is steep. A developer's first stab at this shape-shifting marketplace may result in mediocre to no sales. To boost interest and dazzle buyers, sometimes what a building requires isn't just a new price tag. It needs a new approach, a new team of brokers and a whole lot of buzz.

Such is the case with the upmarket buildings in this story. Their initial offerings fizzled out fast, but they're back with a vengeance, selling at breakneck speed. Call them Comeback Kids.

The third time is a charm for 61 Fifth Ave., a boutique building with just four residences, ranging from 4,300-square-foot duplexes to a nearly 6,000-square-foot penthouse. The project commenced in late 2013, but Sotheby's had a hard time offloading the properties, which were priced at a hefty \$12.975 million to \$28.5 million.

The developer switched to rock-star broker Fredrik Eklund at Douglas Elliman once the Alta Indelman-designed building was nearly finished, but still no takers. As of

two weeks ago, the Carrie Chiang Team at Corcoran has repositioned the project and reduced its prices by more than 20 percent.

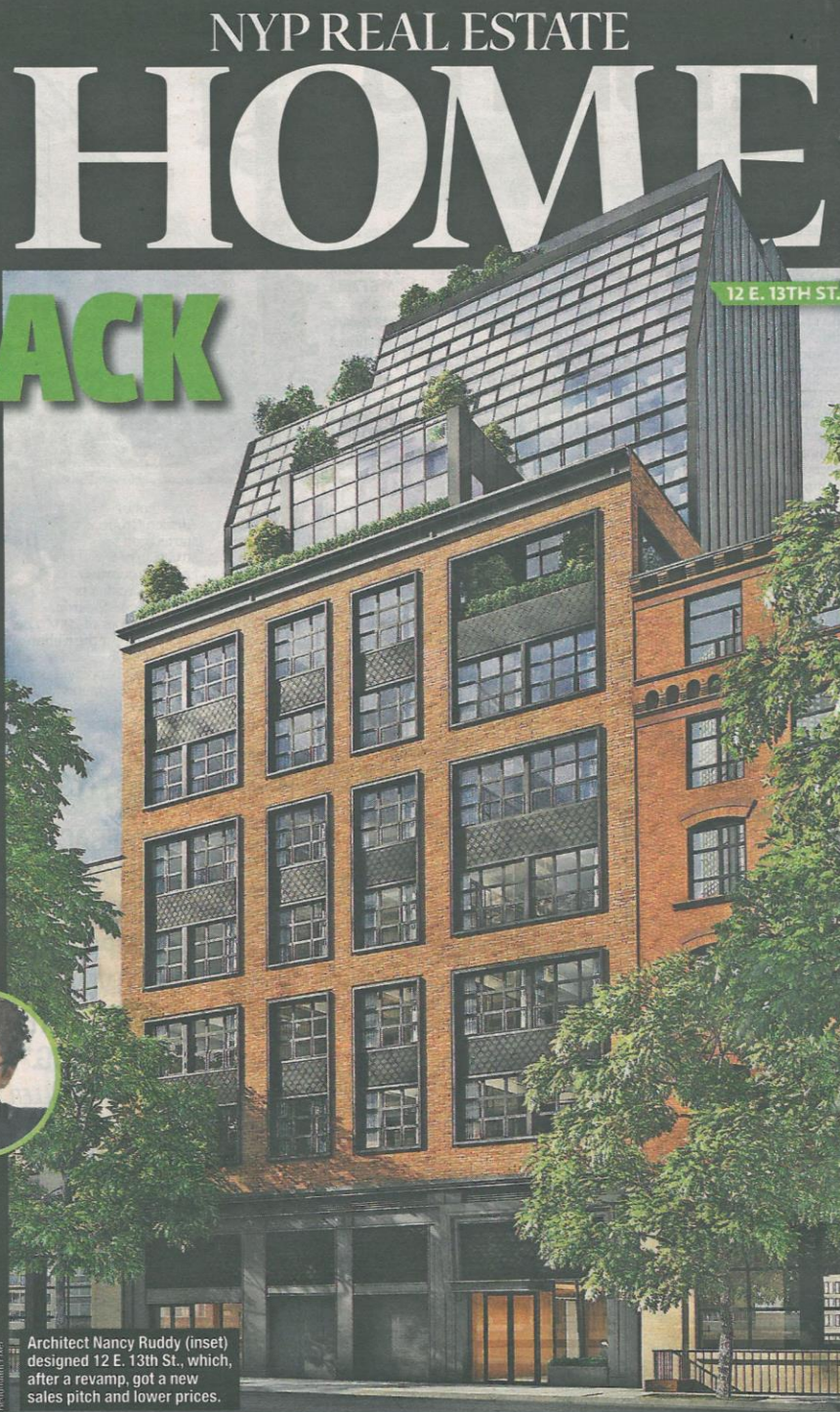
They've also crafted a new sales pitch, positioning the building as "living in a townhouse but with a doorman and security," says Richard Phan, who works with Chiang. Now 61 Fifth Ave. is seeing more traffic than ever.

"Within the last week alone, we've had eight showings, and we have people who want to come a second and third time," Phan says.

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Architect Nancy Ruddy (inset) designed 12 E. 13th St., which, after a revamp, got a new sales pitch and lower prices.





# RETURN TO SELLER

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And with prices lowered — the duplexes now start at \$9.95 million — piqued interest isn't surprising. "I don't have insider info on 61 Fifth," says Jonathan Miller, president and CEO of Miller Samuel Real Estate Appraisers, "but when you have marketing agents replaced every year, that is a function of pricing."

Another small project nearby, DHA Capital and Continental Properties' 12 E. 13th St., is also back on the market after going dark last October. The eight-unit former Hertz garage began selling out of a showroom around the corner last spring, but the mock kitchen and bathroom setup wasn't enough to entice buyers to throw \$7.5 million at 2,800-square-foot three-bedrooms (or at the \$30 million glassy triplex penthouse).

"The initial sales center was a teaser," says broker Richard Cantor, a principal of Cantor Pecorella, the exclusive sales and marketing agent for the building. "It gave a taste without representing the building."

In the interim, a model apartment was constructed on the Cetra/Ruddy-designed site. "Now I am seeing more traffic there than in my other projects," says Cantor. Dropping prices — units now start at \$6.95 million — likely also helped.

At Village Green West, an eco-conscious, 27-unit building at 245 W. 14th St.,

one-bedrooms sold steadily as soon as the property hit in February 2014. But the full-floor, three- and four-bedrooms weren't moving because they weren't being separately marketed, says Michael Namer, CEO and founder of Alfa Development. So he decided to hold off prospective buyers in the fall and reposition the remaining units as The Tower at Village Green West.

"It was very hard to help buyers understand what the remaining full-floor, \$7.25 to \$9.5 million apartments were in a building that also had some one- and two-bedrooms," explains Namer. Since the showroom at 130 W. 18th St. opened last month, Namer has seen at least a 50 percent increase in viewings of the larger apartments compared to last year.

Uptown, the Naftali Group's Thomas Juul-Hansen-designed 210 W. 77th

Prices were slashed by 20 percent at 61 Fifth Ave. after its 2013 debut; architect Alta Indelman (inset) designed the now-hot building.

St. came on the market in September 2014, but failed to move any of its 25 units. Developers had set the prices high to help recoup the \$55.5 million the reportedly paid for the property. Sales are now on hold and the project will be re-marketed, according to the building's website.

Big developments have also had to pull listings and re-introduce themselves. Developer Izak Senbahar,

president of Alexico Group, started construction of 56 Leonard, courtesy of Swiss architects Herzog & de Meuron, in the summer of 2007. The sales office cut the ribbon in fall of 2008 — and we all know what happened next.

"I think we opened our sales office the day Lehman Brothers collapsed," jokes

slightly from the initial pricing), with two-bedrooms going for \$3.6 million — a veritable steal for a starchitect stunner in this coveted neighborhood.

The economy also played a major role in the turnaround of One Madison, on Madison Square Park. The original developers had imagined a skinny tower designed by Cetra/Ruddy looming over the park's south side. Lawsuits and foreclosures forced their hand, and in 2012, a partnership between the Related Company, CIM Group and HFZ Capital Group took control of the 60-story building, and redid everything down to the 22nd-street entrance (BKSK Architects designed it) and the remaining interiors (now by Yabu Pushelberg).

Some floor-through apartments had sold for as low as \$5.1 million in the first round; this time, the lowest-priced full floors clocked in at 3,300 square feet for around \$10 million. Only a few units remain, including one of the two "townhouses", and a full-floor residence with a wraparound terrace listed for \$12.5 million.

Miller notes that comebacks are rather rare, and tend to be a function of poor pricing, bad timing or miscalculated positioning.

The latter two were the case at 15 William, formerly the William Beaver House. Marketed as a bachelor pad with a cheeky martini-sipping beaver as its mascot, the 320-unit condo, designed by hotelier Andre Balazs, "came sort of late to the party, in 2009," says Miller.



56 LEONARD

Just one unit remains at 56 Leonard after a relaunch.



15 WILLIAM

15 William has a new name, prices and is now kid-friendly.

CIM Group purchased the building in 2010 after the original developer, the Sapiro Organization, foreclosed; to absorb the cost of the 209 remaining apartments, CIM rented out the apartments and worked to rebrand the entire building for an eventual sales relaunch.

That happened in fall of 2014. The beaver is gone, as is the handball court. In their place are a private playground and another 30,000 square feet of refreshed amenities. One bedrooms that measure 800 square feet are listed for around \$1.1 million — the building is averaging \$1,600 per square foot, compared to \$1,370 a square foot back in 2009.

"With the arrival of restaurants, hotels, cultural institutions, schools...and major tech and advertising companies, a new vitality has been established in the Financial District," says Marc Palermo, SVP of new development at Douglas Elliman, who is handling sales and marketing. "And 15 William reflects that Renaissance."

245 W. 15TH

Full-floor units at Village Green are now sparking buyer interest.



Alfa Development

“COMEBACKS ARE RARE — A RESULT OF POOR PRICING, BAD TIMING OR MISCALCULATED POSITIONING.”

— JONATHAN MILLER

Senbahar. Still, the building sold about a dozen apartments off paper before shelving the 145-unit project.

Fortunately, Alexico had the cash to wait out a dismal market: 56 Leonard re-opened its sales office in spring 2013 and there's just one apartment left. "We sold over \$1 billion in 10 months. I think that is a world record," Senbahar says. More surprising, the building enticed almost exclusively current TriBeCa residents.

Units this round averaged \$3,300 a square foot (up

After a major reboot, One Madison is nearly sold out.

ONE MADISON



Scott Frances