

Boutique condos are NYC's sexiest way to live

By Zachary Kussin

December 31, 2014 | 3:56pm



Prices at the new eight-unit 560 W. 24th St. development range from \$6.95 million to \$18 million.
Photo: Donna Dotan

With heads turned up to the sky, giant luxury developments — like One57 and 432 Park Ave. — continue to capture the eyes of onlookers as they reshape the city skyline.

But a look down closer to street level also shows plenty of activity afoot in the upscale arena: A proliferation of smaller residential condo buildings now cropping up around Manhattan, which offer buyers many of the ritzy touches as their sky-scraping counterparts — but in limited supply.



The ground-up 227 E. 67th St. will have five luxury apartments.
Photo: C3D Architecture PLLC

Examples include the nearly complete six-unit Seven East Village, located at 277 E. Seventh St., with prices from around \$1.2 million to \$2.15 million. Nest Seekers' Ryan Serhant will also bring a dozen new upscale developments with less than 10 units each to market in the next 18 months, including the five-unit 227 E. 67th St. and 242 Fifth Ave., which will have four condos.

The Thomas Juul-Hansen-designed, 15-unit Sixty East Eighty Sixth is slated for completion at the end of 2015. There's also the seven-unit 155 E. 79th St., where a five-bedroom duplex asks \$15.6 million; construction should finish this summer.

Largely under 20 units, these luxe "boutique" projects offer buyers more intimate residences while developers benefit from less-risky investments.

It's generally easier to secure financing for smaller buildings, brokers say, and builders can still score a profit by pricing units in the millions of dollars — necessary given the exorbitant prices for land these days.

As a consequence, the growing presence of these developments has created a new standard for luxury property: Condo buildings that are more personal and intimate than those of their monolithic counterparts.

“Developing boutique, luxury condominiums is akin to building custom, single-family homes,” says Beth Fisher, senior managing director at Corcoran Sunshine Marketing Group, which is handling sales at 60 E. 86th St. and 155 E. 79th St. “You can really address the tastes ... and quality levels that buyers covet, but often cannot find.”



Seven East Village has six condos, most of which have outdoor space.
Photo: Richard Caplan

Appraiser Jonathan Miller says the rise of boutique developments fits into a larger construction trend. “We’re already seeing a lot of development on small lot sizes,” he says, citing immensely tall towers like One57 and 432 Park Ave. But he notes that it also applies to smaller projects happening in areas where zoning doesn’t permit such heights.

But smaller buildings can face a challenge in marketing, Miller notes. They’re generally lower-slung and don’t have high-rise views that help taller towers drive value.

Meanwhile, greater attention must be devoted to residential amenities in smaller structures to support the initial land cost. “You have to create this unique identifier because at some point a Sub-Zero is still a Sub-Zero,” Miller says.

Given the right amenities and the right marketing, the result is a standout property that trades on its exclusivity.

“What is luxury when it’s mass-produced?” posits Urban Compass president Leonard Steinberg. He and partner Hervé Senequier are marketing the eight-unit, 560 W. 24th St. condominium, which will deliver apartments this spring.

Units here, which range from \$6.95 million to \$18 million, boast custom details throughout made with craftsmanship that Steinberg says is hard to replicate on a larger scale. “It’s like a custom piece of jewelry, a car that’s a limited-edition ... something that is of limited supply will always add value,” he adds.



Four of 16 units are in contract at 27 Wooster St., where prices average \$3,383 per square foot.
Photo: Hayes Davidson

Other under-construction condos also offer buyers high-end touches, including the 16-unit 27 Wooster St. (seven units are being held by the sponsor), with Juul-Hansen-designed interiors, and the nine-unit 17 E. 12th St., which will feature electronic kitchen cabinetry that opens by touch.

But what makes these two buildings truly stand out is their on-site parking: At 17 E. 12th St., there will be one space for each unit that will be included in the price of the apartment.

There are four parking spots available for purchase at 27 Wooster; their prices are not available.

Not all of these boutique projects are ground-up developments; even when converted from existing structures, the features at these condos still shine.

Minskoff Equities’ eight-story 37 E. 12th St. condo conversion, where prices currently reach \$17.75 million, will give way to one duplex penthouse, one triplex and four apartments, whose touches include marble reclaimed from the original façade of the Museum of Modern Art.

The eight-unit Sorgente Group-developed Giglio on White, at 60 White St., where prices on the market currently range from \$4.58 million to \$9.26 million, has an emphasis on local materials and green friendliness.

Marble slabs come from Vermont and the building has “passive house” windows for energy efficiency.



Veronica Mainetti is developing eight lofts at Giglio on White, with a penthouse asking \$9.26 million.



Sorgente Group's Giglio on White.

Photo: Renderings by Vue Studio /
Creative Direction by
BridgerConway

The seven-unit conversion at 22 Central Park South, which was redeveloped by the Elad Group, boasts Central Park views along with extreme privacy. Here, the elevator goes directly from the lobby to a buyer's residence; it will not stop to take other calls in-between. "You can go up and down without anyone seeing you other than the doorman," says Samantha Sax, an executive vice president at Elad.

There will also be a quiet feel at 34 Prince St., a conversion being co-developed by Time Equities and Hamlin Ventures. The completion date and pricing for the seven units and two townhouses are not yet available, but buyers will have access to a private courtyard here. "It will really feel like your own and not shared with the world," says Aaron Medeiros, director of acquisitions at Time Equities, of the green space.

Kevin Martins da Silva, co-owner and partner of boutique bank Three Ocean Partners, closed on a \$3.25 million buy at the six-unit 230 E. 63rd St. as an investment property.

The heated floors, built-in speakers and cabinetry are all top-of-the-line, he adds, which make for great perks. "In a bigger building, when you have 200-plus units, you're not going to have that much attention to detail," Martins da Silva says.