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Foreign Buyers Are Starting To Choose Brownstones Over Luxury Condos



As more and more super-pricey luxury condo buildings rise above New York City, international buyers are bucking the trend and purchasing historic townhouses instead.

According to The Wall Street Journal's Candace Taylor, more and more foreigners are looking into buying brownstones as secondary residences, opting out of the condos that have long been popular for this particular group.

Townhouses, many of which were built in the late 19th and early 20th century, can be difficult to maintain, and they don't have the services that make living in a doorman building so convenient.

However, there are some unexpected benefits to living in a brownstone. As demand for luxury condos grows, housing boards for those buildings have begun investigating potential buyers' financial background more than ever before. The privacy of a townhouse would be much more attractive to Europeans or other foreigners who are not accustomed to disclosing their finances.

"More and more, the tendency is to go toward a full townhouse purchase because they can be anonymous, and they can get all the space for a fraction of the price," Adie Kriegstein, an agent at CORE who recently represented a French family in the purchase of a townhouse on West 77th Street, said to the Wall Street Journal.

The numbers show that townhouses in Manhattan do tend to be slightly cheaper than luxury condos. For the third quarter of 2013, the average price per square foot for a townhouse was \$1,144, compared to \$1,379 for condos.

And the most expensive condos are much pricier than the most expensive townhouses — condos at 15 Central Park West average at \$5,487 per square foot, compared to \$2,440 per square foot at the Harkness Mansion on the Upper East side.

Plus, there are plenty of ways to create a full-service experience in a brownstone, from hiring a property manager to installing a virtual doorman.

All of the buzz surrounding townhouses is starting to spread to historic walk-up apartments as well.

Data from real estate consultants Miller Samuel showed that the number of walk-ups sold increased by 64% over the last year, a huge jump compared to the 22% increase for apartments in full-service doorman buildings.

"There is a new generation of renters out there who don't need a doorman, and want something unique and different," Jordan Sachs, president of residential brokerage firm Bold New York, told The New York Times. "Walk-ups can offer a wonderful combination of old prewar New York mixed with new design, and that can be hard to find in a cookie-cutter doorman building."