

Made in the Shade?: As the W. 57th St. Area Sprouts Superdeluxe Towers, Long-Term Residents Face a Choice



*BRYAN SMITH/BRYAN SMITH*The 57th St. corridor has become known as *billionaires' row*

Call them the humble millionaires of Billionaires' Row.

Apartment owners living just south of Central Park are seeing their neighborhood altered by a stream of uber-pricey skyscrapers debuting along the short corridor between Sixth and Eighth Aves. from W. 57th to W. 59th Sts. The question on some of their lips: Should we stay or should we go?

Resales of existing condo and co-op units along the 57th St. corridor have ticked up in recent months as owners opt to sell their pads amid the development boom. There was an 83.9% increase in resales in the area in the second quarter, according to listings website StreetEasy, an early indication that some long-term owners in older buildings may be starting to get itchy feet.

"This is a case of a rising tide lifting all boats," said Alan Lightfeldt, a data scientist at StreetEasy. "There's certainly more interest in properties on the 57th St. corridor, which used to melt into the rest of Midtown. Now, it's quite a powerful address."



JEFF BACHNER/FOR NEW YORK DAILY NEWS Errol Rappaport and his mother Frances are staying put in their Central Park South apartment with breathtaking views of the park

Long-term residents of the newly anointed Billionaires' Row typically fall into two camps: There are those looking to flee as the area becomes increasingly congested with towers and those who welcome the changes and predict they will result in the values of their own homes increasing.

"Some clients are watching the views they paid a premium for disappearing one monolith at a time, and diminished values of those apartments is inevitable," said Tom Postilio of brokerage company CORE, who has worked on several recent transactions in the area.

"While many have complained about the noise, dust and congestion that comes along with this scale of development, most are willing to grin and bear it because of the value these completed developments will bring to their own backyard."

The 57th St. corridor has become a tale of two cities. New towers, such as the gleaming One57 at 157 W. 57th St., have asking prices topping \$90 million, or \$6,000 a foot, and new towers at 111 W. 57th St., 227 W. 57th St. and 220 Central Park South are slated to be just as exorbitantly priced.



BRYAN SMITH/BRYAN SMITH Sandor Krauss is looking to sell his apartment at 100 West 57th Street

Meanwhile, units in older buildings on the same strip trade for a lot less. The average asking price for a unit at the Osborne and Alwyn co-op buildings, at 205 W. 57th St. and 911 Seventh Ave., respectively, is well below \$2 million, for instance. That's hardly chump change, but it's a tiny fraction of the show-stopping prices being paid for luxury piers-à-terre by foreign billionaires, some of whom will only use their properties for a few days a year.

"People actually live in these buildings. The lights are on," said broker Jesse Shafer of Urban Compass, who is listing a unit in an older co-op building at 100 W. 57th St. with colleague Greg McHale. "This is known as Billionaires' Row, but the truth of the matter is that, for some, it's still a real neighborhood where New Yorkers get up, grab a coffee and walk their dogs."

Long-term owners are reacting to the changes in the neighborhood in different ways. Errol Rappaport, a resident of a co-op at 200 Central Park South, said the board there is thinking of upgrading some of the property's common spaces, air-conditioning units and even its windows in an effort to draw buyers who've been lured to the area by the dazzling new towers but can't quite afford the price tags.



BRYAN SMITH/BRYAN SMITH One57, at 157 W. 57th St., has blocked the views of residents of the Metropolitan Tower

Rappaport's building would provide a more affordable alternative with the same remarkable views and, if the building moves ahead with the changes, he predicts that the value of his home will skyrocket.

"I don't plan on going anywhere," he said. "I think it would be a big mistake to sell this apartment."

Owners at the Metropolitan Tower condominium at 146 W. 57th St., many of whom have had their views of Central Park blocked by One57, are getting crafty in the face of the explosion of new development. Some are reconfiguring their apartments so that their living rooms will get park views and their bedrooms will stare at the stripy blue face of the neighboring tower.



BRYAN SMITH/BRYAN SMITH Sandor Krauss thinks values are going up on the 57th St. corridor because of all the new development

"It's a total restructuring of the interior architecture of some of these buildings in order to get that sliver of green," said Ben Benalloul, co-founder of brokerage RLTY NYC, who just sold a unit at the building on behalf of Florida-based hedge fund manager Harvey Sandler and his wife, Phyllis.

The Sandlers had a slightly different strategy for dealing with One57. In an amusing case of "if you can't beat 'em, join 'em," they traded up to palatial apartment at the luxury tower for \$34 million.

Shafer's client Sandor Krauss, a lawyer who is moving to be closer to his daughter's school, thinks the redevelopment of the 57th St. corridor will help him get top dollar for his three-bedroom apartment, which he bought for a total of \$1.2 million in two separate deals and is now listing for \$1.7 million. The construction of the mega-towers may not affect his sale directly, he said, but it's already resulted in a

fledgling retail renaissance, which is driving interest from prospective buyers who want to live in the neighborhood.



BRYAN SMITH/BRYAN SMITH Sandor Krauss's apartment is on the market for \$1.7 million

“When we moved in, there was absolutely nothing here,” Krauss said, noting the recent openings of two hotels on his street, the Quinn and the Viceroy, and the impending arrival of a Nordstrom department store. “But all this development brings new things. Hotels bring bars and bars bring restaurants and those bring people. All these residential developments bring intangible value.”

International buyers aren’t just interested in the monoliths, either. Postilio said he’s seeing foreign buyers eagerly monitoring the changes on 57th St. and investing in surrounding condominiums such as the Windsor Park on 58th St., where there has recently been a flurry of sales.

“As palatial new offerings tantalize the world’s wealthiest buyers, savvy investors are staking their claims next door,” Postilio said. “Howdy, neighbor!”