

The New York Times

December 24, 2015

In 2015, Shattering Records in New York City Real Estate

In the realm of New York City real estate, what goes up just keeps going up, and up.

This past year prices again punctured records, with the official closing of a \$100.47 million penthouse at the pinnacle of Extell Development's One57, the vitreous Midtown skyscraper and popular abode for billionaires worldwide seeking to park their cash.

Other sales in the Central Park-facing condominium, at 157 West 57th Street, flirted with the nine-digit mark. And across Manhattan, records were set for co-ops and extravagant prices paid for other condos and townhouses. Brooklyn, which is becoming ever more desirable (and dear) as a home address, also posted a record for the most expensive sale for a single residence, in Cobble Hill.

"We shattered just about every record that pre-existed," said Shaun Osher, the chief executive of the brokerage firm Core. "It was the year of the big sale."

But the record books are almost certain to be rewritten in the months ahead as new "billionaire bunkers" are added to the city's ever-evolving skyline, like 220 Central Park South, 432 and 520 Park, and 56 Leonard, to name just a few.



Sarah Jessica Parker and Matthew Broderick sold their brick townhouse, second from left, at 20 East 10th Street in Greenwich Village for \$18.25 million. They took a bit of a bath, having paid nearly \$19 million for it in 2011.

The current record price will be surpassed — make that doubled — when another megadeal is filed with the city in the next couple of years. The hedge fund manager Kenneth C. Griffin, whose net worth totals \$7 billion by Forbes's estimate, entered into a contract in late summer to buy a triplex at 220 Central Park South for around \$200 million, according to sources familiar with the sale who, like others in this article, requested anonymity so as not to jeopardize a current or future deal. This purchase would not only be the city's largest sale of a single residence, but also the country's, usurping the \$147 million sale of an 18-acre East Hampton, N.Y., estate in 2014, according to Jonathan J. Miller, who runs the Miller Samuel

appraisal firm. He wonders, though, how long this upward trajectory will endure: “Developers and those observing the market are asking how many \$10 million-and-up buyers are really out there.”

So far, roughly half the 118 or so apartments are under contract at 220 Central Park South, the 65-story limestone-clad building designed by Robert A.M. Stern Architects and at the ninth floor of construction, according to Steven Roth, the chief executive of Vornado Realty Trust, the developer. Fourteen of those units went for \$50 million or more, he said in a recent earnings conference call.

Real estate brokers and market observers say that at least for the next few years, more of these astronomical sale prices will surface as signed contracts in the city’s nascent developments finally close. (Most of the units at 56 Leonard, for instance, are spoken for, said Kelly Kennedy Mack, the president of the Corcoran Sunshine Marketing Group, adding that full-floor units are listed for above \$20 million, and the most expensive penthouse is around \$50 million.) There are unsold units, too, at completed developments like One57 and those nearing completion, like the Greenwich Lane in Greenwich Village. And then there are the resales.

“With the inventory out there, the extraordinary amount of wealth, and the continued demand for New York real estate, we will continue to see robust sales in the superluxury market,” said Pamela Liebman, the chief executive of the Corcoran Group. Corcoran Sunshine Marketing is handling sales for 220 Central Park South.

Daniel Levy, the chief executive of CityRealty, which tracks condo and co-op sales, shares this opinion: “There seems to be plenty of demand for all these buildings,” he said. “Next year the story will be 432 Park and 56 Leonard; the following years will be 220 Central Park South and 520 Park.”

For 2015, the story, of course, was the Christian de Portzamparc-designed One57, where eight of the 20 biggest big-ticket sales took place — that is, those that were signed, sealed and officially recorded with the city.

All the year’s top 20 sales were for more than \$30 million, and the top 10 for above \$45 million. They included three co-ops, two townhouses, one condop and several other luxury condos, among them, two units at 15 Central Park West, which was designed by Robert A. M. Stern Architects and where another apartment had held the record until this year for the city’s most expensive residence, at \$88 million. That was the full-floor penthouse the Russian billionaire Dmitry Rybolovlev bought in 2012, through a trust benefiting his daughter, from Sanford I. Weill, the former Citigroup chairman.

One57

The city’s record \$100.47 million sale (and the seventh priciest in the nation, according to Mr. Miller) was for the 89th and 90th floors of the brash blue tower, a.k.a. unit No. 90, a 10,923-square-foot aerie with a reception gallery and grand salon. Extell initially marketed the duplex for \$98.5 million, then raised the price to \$115 million, according to the state attorney general’s office. Only a handful of people know the identity of its new owner, who, like most others buying these ultraluxury digs, hid under the mantle of a limited liability company. The buyer actually made the purchase in late December 2014, but it didn’t pop up in city records until mid-January.



Joan Rivers's ornate escape from hilarity at 1 East 62nd Street changed hands for serious money, \$28 million. The 11-room triplex, with four bedrooms, four and a half baths and five wood-burning fireplaces, encompasses around 5,100 square feet.

While that deal was covert, the buyer of the city's second most expensive residence (and No. 12 nationally), at \$91.54 million, was more forthcoming. The hedge fund mogul William A. Ackman revealed his purchase of a six-bedroom on the 75th and 76th floors months before it officially closed in April. The apartment, known as the Winter Garden, is distinctive for, among other things, its 2,500-square-foot curved-glass atrium that opens to the sky.

In February, Guoqing Chen, a founder along with his brother, Chen Feng, of Hainan Airlines, part of the HNA Group, one of China's largest private airline companies, paid \$47.37 million for an apartment taking up the entire 86th floor. Two months later, at nearly the identical price, another full-floor apartment, on the 88th floor, was bought through a limited liability company associated with HNA's New York subsidiary. Could this one be for Chen Feng?

Many of the buyers in the building are foreigners, particularly from China. "They are really looking to park money here because of the uncertainties of their governments," Dorothy Herman, the chief executive of Douglas Elliman Real Estate said of this building and others like it.

Among the other big closed sales at One57: Unit No. 85 for \$55.56 million and No. 77, \$47.78 million.

Other Condos

Most of the top sales this year happened in condominiums, and several involved recognizable names.

The Related Companies' Time Warner Center, one of the priciest buildings of the early 2000s and a favorite of Russian buyers, registered a record of its own. In late July, the Russian financier Andrey Vavilov sold his penthouse on the full 78th floor of the south tower, at 25 Columbus Circle, for \$50.92 million. Mr. Vavilov served as deputy finance minister during the presidency of Boris N. Yeltsin and made a fortune when his oil company was taken over by a state-controlled enterprise in 2003. According to Mr. Levy of CityRealty, the sale of his six-bedroom apartment surpassed the building's previous highest price, \$37.5 million in 2009 — for the same unit.

Nearby, at Zeckendorf Development's 202-unit 15 Central Park West, apartments sold for \$45 million and \$35 million, both around the same time in the fall. Then there was the \$33 million sale in January of a penthouse at 1 Central Park West, a.k.a. the Trump International Hotel and Tower.

Speaking of Trump, the real estate developer and presidential hopeful Donald J. Trump sold one of his two investment penthouses at Trump Park Avenue, at 502 Park Avenue, last summer for \$21.38 million to a founder of the supermarket chain Fresh Market, Ray D. Berry.



Paul McCartney and his wife, Nancy Shevell, bought a duplex in glass-faced 1045 Fifth Avenue for \$15.5 million.

In other celebrity sales, the palatial triplex where the comic Joan Rivers lived for more than a quarter of a century until her death last year at age 81, was sold by her estate in July for \$28 million. The buyer of the apartment, at 1 East 62nd Street, was said to be Middle Eastern royalty.

Also, Jon Bon Jovi, the rock star, sold his penthouse at the New Museum Building, at 158 Mercer Street, a.k.a. 583 Broadway, for \$34 million.

And Stephen Griggs, whose family business had owned the British footwear company behind the Dr. Martens brand of boots, paid \$17.26 million for an apartment at 35XV, Alchemy Properties' glass-and-stone high-rise at 35 West 15th Street.

The Carlton House condop at 21 East 61st Street, meanwhile, had a \$52 million penthouse sale.

Co-ops

Two of the year's top five sales were co-op apartments, including one that shattered the city's record for co-ops: the \$77.5 million purchase of a duplex on the 11th and 12th floors of 834 Fifth Avenue, designed by Rosario Candela.

The unit was sold in early spring by Woody Johnson, the owner of the New York Jets, to the Ukrainian-born billionaire Leonard Blavatnik. The previous co-op record was set in 2014, when the hedge fund manager Israel Englander paid \$71.28 million for a duplex at another Candela building, 740 Park Avenue.

The same week the new record-holder surfaced in late March so, too, did the official closing of the year's second most expensive co-op at \$67.5 million: a full-floor apartment on the 18th floor of the Sherry-Netherland, at 781 Fifth Avenue. The seller was Gilbert Haroche, a founder of Liberty Travel. And in early May, a triplex at 775 Park Avenue sold for \$35.14 million; the buyers were Elizabeth Right, the daughter of Stephen A. Schwarzman, a founder of the Blackstone Group, and her husband, Andrew Right.

There were other boldface deals in co-ops. This past spring, Paul McCartney and his wife, Nancy Shevell, bought a duplex at 1045 Fifth Avenue for \$15.5 million.



220 Central Park South, with cranes, is under construction. A triplex at the fast-selling building reportedly is in contract for \$200 million.

Just down the street and a few months later, Jeff T. Blau, the chief executive of the Related Companies, sold his apartment at 1040 Fifth Avenue, yet another Candela building, for \$30 million. And across the park, the architect Cesar Pelli, known for the design of some of the world's tallest buildings, bought a lower-floor apartment at the San Remo, at 145 Central Park West, for \$17.5 million.

Two other big sales took place on Central Park West. T-Mobile's chief executive, John J. Legere, paid \$18 million in October for a duplex penthouse once occupied by William Randolph Hearst, at 91 Central Park West. And the estate of Lauren Bacall sold for \$21 million the apartment at the Dakota, at 1 West 72nd Street, that the legendary actress called home for more than half a century until her death last year at age 89. Ronald N. Beck, a hedge fund manager, and his wife, Cynthia Lewis Beck, were the buyers.

Townhouses

The year's most expensive townhouse, at 125-127 East 70th Street, sold for \$37 million. (The record is still the 2006 sale of the Harkness Mansion at 4 East 75th Street, for \$53 million.)

But most of the buzz seemed to center over the \$18.25 million sale of a townhouse owned by Sarah Jessica Parker and Matthew Broderick. The famous couple took a loss on the 25-foot-wide Greek Revival-style townhouse, at 20 East 10th Street in Greenwich Village, for which they paid nearly \$19 million in 2011, and likely spent more on upgrades. A nearby house that they were once reportedly in contract to buy, at 16 East 10th Street, sold for a tidy profit, at \$32 million. The developer David Amirian, and his business partner, Warren Hammerschlag, an orthopedic surgeon, had paid \$11.2 million in 2012 for the house, which had been owned by Pen and Brush, a nonprofit group for female artists and writers.

Mr. Levy noted that some buyers see townhouses as relative bargains. "Generally speaking, we're seeing price per foot substantially less than in new buildings, so certain people see them as a value proposition given the size," he said.

In another notable sale, a Facebook founder (no, not that one) was the likely buyer of a \$22.3 million four-story Greenwich Village townhouse with a separate rear studio, at 157 West 12th Street. Chris Hughes, one of the five founders and a roommate at Harvard of Mark Zuckerberg, the Facebook chief executive, bought the property, according to a source familiar with the private transaction who requested anonymity. The seller was Michael P. Stewart, a money manager.

Brooklyn

The borough broke a record for its most expensive residence with the \$15.5 million sale of a nearly 27-foot-wide, three-story brick townhouse in a historic district of Cobble Hill. The photographer Jay Maisel bought the house, at 177 Pacific Street, after selling his previous home and studio — the gritty six-story former Germania Bank building at 190 Bowery in Manhattan — to Aby J. Rosen's RFR Holding for \$55 million.

Mr. Osher of Core predicted more record closing sales in Brooklyn's townhouse market in 2016. "We'll see a \$20 million-plus sale," he said. "Once the townhouse buyer realizes they can't get what they want in Manhattan, they'll be looking in Brooklyn."