

REAL ESTATE

HARLEM RENAISSANCE: EVERYTHING OLD IS NEW AGAIN AS CLASSIC BROWNSTONES TURN INTO BOUTIQUE CONDOS

By Max Gross

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Harlem real estate has always been a story of bigs and littles.

The neighborhood has seen its share of massive apartment buildings and roomy old townhouses that can comfortably hold a growing family or two - but it also has seen a fair number of close-quartered rooming houses and cramped projects.

But Harlem is starting to move to the middle.

In fact, a number of Harlem brokers think the neighborhood is going to be the new hot place to find medium-size boutique condos.

"Everybody's converting their brownstones to condominiums," says Lucien Perry of Lucien Perry Real Estate. "The market's been so hot for condos; people are getting the idea of keeping half their house, and selling the other half ... The trend started a couple of years ago, but in the last year it's gone to another level."

And it's not just individual Harlem residents who are doing this - developers have been descending on the area in full force and striking in the mid- to high-end range.

Take, for instance, The Marshall on West 135th Street. The development wouldn't look out of place in TriBeCa or Greenwich Village; it was formerly two adjacent brownstones that were gutted and put together to form one 10-unit building consisting of one-bedrooms, two-bedrooms and three-bedrooms.

"It's about 60 percent new construction, about 40 percent gut-renovation," says Dawanna Williams, managing principal of Dabar Development Partners, which created The Marshall.

Everything at The Marshall is deluxe and chichi: double-glazed windows in the living rooms, stainless-steel GE appliances in the kitchen, oak floors and moldings, high-speed Internet connection and so on. But one real difference between The Marshall and similar downtown developments is the price - the most expensive unit is \$872,600. Many buyers would clutch their chests in shock if they saw a price tag for something of that ilk in SoHo.

A lot of developers have found that the boutique, high-end route is more cost-efficient than turning a brownstone into a rental, as a lot of Harlem landowners did in the past.

"The economics [of a rental] don't make sense," says Hans Futterman, who bought a townhouse on West 123rd Street that he recently converted into three duplex condos. "It's very, very difficult on a substantial renovation to make [a profit] on a rental," says Futterman. "Years ago when brownstones were going for \$40,000 you could, but today, no."

DELUXE DUPLEXES

Futterman, the president of development company RGS Holdings, bought his townhouse in 2005. Since then, he has been turning the property into three duplexes that each run more than 2,000 square feet. The four-bedroom, three-bathroom units offer high-tech kitchens, washer/dryers, exposed brick, wood floors and original fireplaces. The ground-floor unit is going for \$1.15 million, the middle unit is selling for \$1.295 million. Futterman and his family are living in the upper unit, the largest of the three, at more than 2,200 square feet. When Futterman's family moved in last October, they suddenly found themselves with double the amount of space they had when they were living on the Upper West Side.

"Our three kids were living in one room," he says of his Upper West Side digs. Now Max, 9, and Liam, 4, share a room only because they enjoy each other's company; Aidan, 7, has her own room down the hall from her brothers. "It's substantial property and low risk," Futterman says of his townhouse conversion. "If you were to look at properties downtown, they're going for \$1,200 a square foot. Here, they're going for \$700 a square foot. How confident can you be purchasing on the Upper West Side as opposed to here?" Moreover, the shells of these Harlem buildings offer owners the opportunity to create condos with a lot more character than those found in colossal glass-and-steel towers downtown. "Architects have been sensitive to the surroundings," says Steve Kohn, president of Sonnenblick-Goldman, an investment bank that has done a lot of real-estate work in Harlem. "They've been going low-scale, with small buildings, courtyards ... it seems contextual." Alex and Shirley Pressley are finishing the last round of renovations before they put the condos in their former eight-unit apartment building on the market.

"That was my intention from the beginning," says Alex, whose background was in construction: He wanted to give each unit some breathing space. He turned the original eight units into a large duplex for himself and his wife, and created two one bedroom duplex condos at nearly 1,000 square feet each. "I got into this because I'm very concerned about the architecture," says Christa Giesecke, an architect who converted a brownstone on West 149th Street (where she also has her own brownstone) into condos two years ago, and is in the process of turning another brownstone into three duplex condos.

"I lived in a similar block in Greenwich Village," says Giesecke, who moved to Harlem six years ago. Giesecke says Harlem was the one affordable place where she could find the details that architects and New York history buffs go crazy for. Giesecke also found a community that she appreciates. "It really is a neighborhood," she says. "Everybody knows everybody else." "You see kids playing ball in the street," says Sean Futterman, a broker with Prudential Douglas Elliman, who is selling his brother Hans' condos with his partner Todd Stevens. "I grew up on the Upper West Side and you don't see kids playing ball in the streets there. Here you do."

MIDDLE GROUND

There's the worry for some that the neighborhood will get too pricey and begin pushing people out. However, some developers have been treading the line between middle- and high-end, making some of these condos affordable to a middle-income buyer.

Jerry Migdol, a Harlem developer, is offering a 10 percent discount to civil servants for his new condominium on St. Nicholas Avenue called The Rockwell, which he constructed out of three adjoining brownstones. "This is really for people who have kept Harlem together; we want to give them a chance to buy in," says Migdol, who has several more condos that he's carving out of brownstones; they should come on the market in spring 2007.

The 12 units at The Rockwell start at \$542,400 and run to \$999,000, and like more expensive buildings, The Rockwell offers Jacuzzi tubs, fireplaces and separate kitchens with black granite countertops - there's even a gym, something a lot of boutique buildings don't have. "Harlem is the belly of Manhattan - like the belly of a fish," Migdol says. "And you know about the belly of a fish? It's the sweetest part."

254 West 123rd St.

Duplex condos: Ellen and Hans Futterman, with sons Max and Liam, have been living on the top two floors of their townhouse since October; they are selling the two 4-BR, 3-bath duplexes underneath them for \$1.15 million and \$1.295 million. Contact: Sean Futterman and Todd Stevens, Prudential Douglas Elliman, (212) 321-7106 and (212) 727-6193.

222 West 135th St.

The Marshall: An 812-square-foot 1-BR starts at \$451,440, a 2-BR with a Juliet balcony goes for \$618,000, and a 1,380-square-foot 3-BR duplex penthouse is \$748,410. Contact: Griffin Real Estate Group, (212) 491-7300.

785 Adam Clayton Powell Blvd.

The Rockwell: Jerry Migdol took over three eyesores and turned them into 2-BR, 1 1/2-bath condos starting at \$542,400. He named his development after one of the block's famous residents, Norman Rockwell.