



161 East 64th Street.



CASTLES IN THE CITY

WANT A TOWNHOUSE? YOU'LL NEED AT LEAST \$10 MILLION, PROBABLY MORE

By Janet Allon

IT TAKES A SPECIAL BREED of New Yorker to truly appreciate—and afford—a luxury townhouse. Favored by celebrities for their privacy, and by families for the extra space, bedrooms, outdoor space and multiple levels, not to mention their architectural pedigrees, these mansions in the city are a lifestyle (and a market) unto themselves. “The luxury townhouse market is always a unique micro market,” says Paula Del Nunzio, senior vice president managing director of Brown Harris Stevens, “that reflects the buying power and unique preferences of the ultra-wealthy, who seek their own castle.”

Those seeking and creating their own castles in Manhattan’s priciest single-family houses have included many a boldface name, from our billionaire mayor to Madonna, Brooke Shields, Claire Danes, Reed Krakoff, Edgar Bronfman, Jr., Woody Allen and Sarah Jessica Parker, all privacy-loving New Yorkers who crave control over their real estate destiny. Single-family townhouses don’t require board approval or have an application process. They can be purchased by an LLC or corporation to protect the owner’s identity. Owners can renovate without getting anyone’s permission, with the exception of the façade if their house is historically landmarked. Owners of exceptional means can purchase adjoining properties to expand, prevent unwelcome developments or construction next door, or just further insulate themselves from pesky neighbors.

“The townhouse is really the only way to live sufficiently in the city,” says S. Christopher Halstead, executive vice president of Halstead. “As a result, the way of life is very attractive to some buyers, and equally unattractive to others.”

Being responsible for the upkeep may be daunting to some, but for those who are drawn to the townhouse lifestyle, it has been said that once you go townhouse, you never go back. “I have found that those who purchase townhouses remain loyal townhouse owners,” says Roger Erickson, senior global real estate advisor at Sotheby’s International Realty. “In all the years that I have been selling houses, only one family decided to move back into an apartment. All the others are either still in their townhouse or have moved to another one.”

These days, you’ll need at least \$10 million to dip a toe into the pricey townhouse game. Inventory is low, and demand is high, which is driving prices higher. Some international buyers are jumping into the game, finding New York to be a better deal than other world-class cities like London and Hong Kong, and with the crime rate so low in Manhattan, security is no longer a factor. The market for townhouses is strong and headed steadily upward. In the 70s, East and West, brokers say, there is but one property on the market priced lower than \$10 million.

“The Upper West Side townhouse market has seen a huge increase in sale price compared to two years ago,” says Michelle Evi Bourgeois, a townhouse specialist at Town Real Estate. “Now you can’t find much under \$10 million.” And if you do find something for comfortably under \$10 million, “It’s going to have to be converted, or have tenants in it,” she adds.

For those with deeper pockets, there are few more options in the \$20 and \$30 million range, and true one-of-a-kind stunners more expensive than that. Despite such high prices, the townhouse is a relative bargain compared to its luxury condo counterparts when price per square foot is considered. “A mansion offers the largest interior spaces for, remarkably enough, the lowest price per square foot,” says Ms. Del Nunzio, one of the leading brokers in the field.

The reason for that difference, adds Mr. Erickson, is relatively simple, “Townhouses generally sell for a lower price per square foot than super luxury condominiums, mostly because they don’t offer the same level of service and amenities,” he says. “And most can’t compete in the ‘view’ category.”

While the view aspect is hard to argue, except perhaps on Beekman Place or Riverside Drive, some new townhouse developments are addressing the amenities gap. “Several of the new condo developments are offering townhouses,” Mr. Erickson says. “For example, the Carlton House on East 61st Street and 150 Charles Street downtown. Of course, the advantage of that is that you can own a townhouse that has all the

benefits and amenities of a super luxury condominium. And some even have a garage!”

Like every other sector in real estate, townhouse sales were red-hot back in 2006 and 2007. That’s when the \$50 million benchmark was passed for a house. “The biggest price ever paid for a townhouse was for 4 East 75th,” says George Vander Ploeg, an executive vice president of Douglas Elliman who specializes in townhouses and other luxury residences. Christopher Flowers, a private equity trader, paid \$53 million for it in October 2006. He then took a substantial loss when he sold the 50-foot-wide house in 2011 for \$36.5 million to art dealer Larry Gagosian. The house is the old Harkness mansion, once home to the founder of the Harkness Ballet, which regularly held performances there. The other deal that hit the \$50 million mark was 15 West 64th Street, which Edgar Bronfman, Jr., sold to multi-billionaire investor Len Blavatnik. Elizabeth Johnson, Woody’s sister, purchased a house at 16 East 69th Street for \$48 million, a 12,000-square-foot trophy house that cost her about \$4,000 per square foot, just about the highest rate in the townhouse realm. Compare that with the \$7,000 per square foot paid for apartments at 15 CPW.

These days, while it’s heating up, it is not the super-heated market of six years ago. “Demand is high,” says Mr. Vander Ploeg. “It’s hot, but not crazy like back in 2007. Buyers are more disciplined than they were.”

As in any sector of today’s rising market, “Price is king,” says Mr. Halstead. “Brokers and buyers are educated, and houses priced in line with recent closed sales are the ones we see turning over.”

A SAMPLING OF SOME OF THE MOST LUXURIOUS PROPERTIES CURRENTLY ON THE MARKET:



BROWN HARRIS STEVENS 21 BEEKMAN PLACE, \$43,000,000

Priced close to the top of the townhouse market, this property has the seclusion of Beekman Place—a rare residential redoubt within walking distance of Midtown—and an extended view of the East River. Once home to the trailblazing landscape designer Ellen Biddle Shipman, who designed gardens for the likes of the Vanderbilts, Mellons and Astors, the townhouse has been fully restored.

The interior features a gracious front hall with curved stairway, marble flooring, wood-burning fireplace, elevator, kitchen, and a formal dining room facing the East River. A large bay window on the parlor floor also faces the river, and the house has light from three exposures.

A planted rooftop garden decked in Brazilian ipe wood—accessible via the elevator—offers sunset vistas of the Midtown thicket of towers, the East River and beyond.



SOTHEBY'S INTERNATIONAL REALTY 161 EAST 64TH STREET, \$16,000,000

The 2013 Kips Bay Decorator Show House townhouse at 161 East 64th Street, a famed townhouse block filled with single-family homes, is 20 feet wide, was built in 1899, and features an elevator between its five stories for those tired by their walk home from the office.

It was renovated by a whopping 19 different world-renowned decorators. “Beyond fabulous,” according to Sotheby’s Mr. Erickson.

The home features a chef’s kitchen, planted garden (no need to run to the Food Emporium for herbs) and two-story, glass-enclosed atrium. The living room has soaring ceilings, and there’s a wine tasting (or drinking—the bedroom is not far!) room next to the formal dining room, which itself overlooks the garden and atrium. The fifth floor has front and rear terraces, one with a gold fish pond, and a modern lounge/media room.



DOUGLAS ELLIMAN 226-228 EAST 49TH STREET, \$16,500,000

Turtle Bay Gardens, an enclave of townhouses among the towers of Midtown, was created by Charlotte Martin in 1920, when she transformed a collection of 1860s townhouses and sold them to a select group of friends. The twenty houses and private gardens face an elegant communal garden, for a taste of neighborhood life in the middle of the city.

This home features a miniature hall of mirrors leading to a double-height grand ballroom with 22-foot ceilings. Above is an expansive artist’s studio—double-height and skylit, true to the studio’s origins. In addition to the private garden, with its own central fountain, the property gives directly onto the historic promenade, with a famed willow tree and “Medici fountain” modeled after the original in Rome. It also features seven fireplaces (one for each of the home’s four or five bedrooms, and a few for the dogs), plus a garage and elevator.



TOWN REAL ESTATE 163 EAST 64TH STREET, \$27,500,000

An elegant Neo-Georgian townhouse originally constructed in 1872 by the renowned “Gold Coast” architect John G. Prague. More than a century later, the edifice has been reinvented, refurbished and technologically transformed. The house is 20 feet wide; it has five levels and 15 rooms, including five bedroom suites, eight fireplaces, eight marble and onyx baths, 12-foot gesso ceilings, an original English pine library dating back to 1872, an elegant formal dining room, a lavish Belle Epoque bar area with Lalique-styled glass ceiling and—almost done!—a Louis XIV-style living room with ten canvas panels inspired by the Fragonard Room of the Frick Collection. A private elevator takes you to a rooftop garden for alfresco dining.



HALSTEAD 28 GROVE STREET, WEST VILLAGE, \$12,995,000

Tucked away in the heart of the West Village, this 22-foot wide townhouse is gut-renovated, with an elevator. A private 45-foot south-facing garden features a massive Magnolia tree, plus another eight-foot front garden, terraces, fireplaces and more. A prewar structure—that is, pre-Civil War—the 1850 house has five bedrooms, five full baths and two half baths, a home office and a nanny’s room. The parlor level features entertaining rooms, a library with floor-to-ceiling custom built-in bookcases, a wood-burning fireplace with original marble mantelpiece and casement windows. Off the formal living room, French doors open onto a terrace which in turn leads down to the garden.

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28 Grove Street, far left; 163 East 64th Street, middle left; 22 Beekman Place, above.

