

NYC's **It** buildings — past and present

A look at what sets apart the buildings that the wealthiest call home

By JANE C. TIMM AND CANDACE TAYLOR

Every few years, an over-the-top new Manhattan apartment building emerges bigger, better and pricier than the rest. The city's elite rush to take up residence in these buildings, forming clusters of wealth within their luxurious walls.

Since 2007, for example, the Zeckendorfs' 15 Central Park West has been the most sought-after (and expensive) address in the city, with resale prices soaring even through the downturn.

But some brokers now say that 15 Central Park West may be on the verge of losing its top-dog status. After several years when the city saw very little new development, several überluxurious buildings — like Extell Development's One57 — are now coming online and threatening 15 CPW's dominance.

Nikki Field, a senior vice president at Sotheby's International Realty, said she's shown apartments at One57 to 15 CPW owners, some of whom are looking to sell before the older building loses its cachet.

At 15 CPW, she said, "I believe there could be a growing exodus and cash-out there before it's replaced — and literally in the shadow of — the more coveted, new billionaires' club rising at One57."

When completed, the 90-story One57 will be the tallest residential building in the city and is on track to set a new record for the city's most expensive apartment sale. But a few blocks away, the CIM Group and Harry Macklowe are planning an even taller building on the Drake Hotel site at 432 Park Avenue.

As developers battle to build the next billionaire-friendly blockbuster residence, *The Real Deal* looked at some of the hottest New York buildings of years past, and what it takes to get to the top of the heap. (Hint: It helps to have a connection to Jackie O.)

740 Park Avenue

A bevy of grand apartment buildings were constructed in Manhattan in the 1920s as wealthy New Yorkers transitioned from townhomes to luxurious apartments. And 740 Park Avenue, the 19-story co-op at the corner of 71st Street, may be the grandest of them all.

Constructed in 1929, the building "was built to be the ultimate trophy house," said Michael Gross, the author of the book "740 Park: The Story of the World's Richest Apartment Building."

The building was developed by James Lee, the grandfather of Jacqueline Kennedy Onassis, who lived there as a child and, of course, went on to become first lady. Construction costs totaled \$2.23 million — the highest amount per square foot ever spent on a residential building in the city, Gross wrote in "740 Park."

According to the book, the building's

largest penthouse was sold for \$205,400 — around \$2.66 million in today's dollars.

Unlike most apartment buildings of the time, 740 Park was entirely clad in expensive limestone and had two entrances — not one — each with large marble halls and ornamental ceilings. Amenities included a chauffeurs' waiting room.



15 Central Park West is home to Sting, among many other celebrities.

Designed by famed architect Rosario Candela, most of the apartments had between 10 and 13 rooms, with ceilings more than 12 feet high. They were advertised as "the most spacious rooms and galleries ever designed for a New York apartment," according to Gross's book.

Even today, units at 740 Park are "exceptionally large," explained real estate appraiser Jonathan Miller, the CEO of Miller Samuel. And while units in some other prewar luxury buildings have been chopped up into smaller apartments over the years, 740 Park Avenue retains its original layouts.

That's part of what has added to the building's value over time, Miller said. Earlier this year, a 30-room duplex at the building sold for \$52.5 million.

From the beginning, the city's elite flocked

to 740 Park. A list of past and present residents reads like a who's who of the city's rich and powerful, from John D. Rockefeller to Stephen Schwarzman. The building's co-op board has become so tough that celebrities Joan Crawford, Barbara Walters and Barbra Streisand have all been rejected in attempts to purchase there.

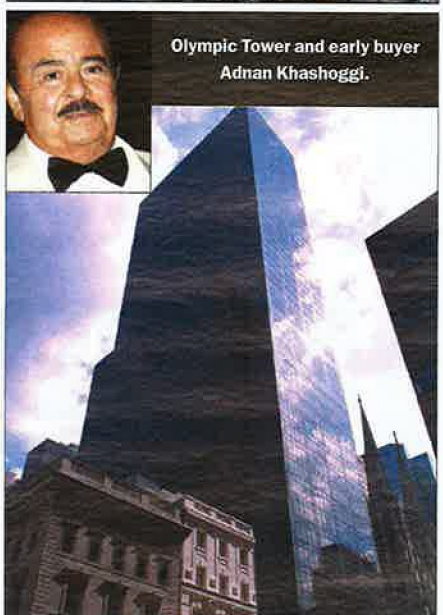
Thanks to the Great Depression, 740 Park remained "the pinnacle" of luxury New

York and "didn't want to buy in the many full-disclosure co-ops," Stribling explained.

Onassis was right. When Olympic Tower opened, allowing buyers to pay with cash and keep a "lower profile," Stribling said, wealthy international buyers snatched up units. In 1976, for example, Saudi Arabian



740 Park Avenue, the childhood home of Jacqueline Kennedy Onassis.



Olympic Tower and early buyer Adnan Khashoggi.

billionaire Adnan Khashoggi reportedly paid \$1.45 million (about \$5.6 million today) for an 18,000-square-foot, five-bedroom duplex in the building. His unit reportedly had a swimming pool, indoor gardens, a ballroom and a sauna.

Situated between East 51st and 52nd streets, the tower was also one of the city's first mixed-use condo buildings, with retail and office space as well as residential units.

The building, "one of the early Midtown glass residential towers," was quickly "considered one of the elite new buildings," Miller said.

Olympic Tower remained one of the city's hottest buildings throughout the '70s and '80s, but the building boom of the '80s soon created new buildings that competed for the spotlight, including the first Trump Tower

York apartment living for decades, Gross said, since residential construction slowed drastically during the Depression and had almost entirely stopped by World War II.

In Gross's opinion, in fact, "nothing like it was built again, until the last 10 years."

Olympic Tower

When Olympic Tower's 51 stories rose at 641 Fifth Avenue in 1975, wealthy New Yorkers almost exclusively lived in co-ops. At the time, even brokers "didn't know what a condo was," recalled industry veteran Elizabeth Stribling. "We didn't think anyone would want to live there!"

But Greek shipping magnate and developer Aristotle Onassis (best known for marrying the former first lady) bet that international buyers were eager to move

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at 725 Fifth Avenue and Museum Tower at 15 West 53rd Street.

These days, Olympic Tower doesn't boast the stratospheric prices of 740 Park Avenue or 15 Central Park West, but is still one of the city's most expensive buildings. Khashoggi reportedly sold his apartment there in 2000 for \$12 million, and this August, a three-bedroom in the building sold for \$14 million.

Time Warner Center

New York saw a severe lull in new construction during the recession of the early 1990s. But in the late '90s and early 2000s, high-end new buildings again began to appear, including the Related Companies' the Chatham at 181 East 65th Street and the Zeckendorfs' 515 Park Avenue.

But the Time Warner Center eclipsed them all, brokers said.

Developed by Related at Columbus Circle, the Time Warner Center was the most sought-after condo in Manhattan from the moment sales began in 2001 to 2007, when 15 CPW hit the market, brokers said.

Related alum Susan de França, who's now at Prudential Douglas Elliman, explained that the developer was aiming to "raise the bar in terms of superluxe lifestyle."

The project's two 80-story residential towers, completed in 2004, sit atop a mega-project that includes office space, restaurants, high-end retail and a hotel.

The Mandarin Oriental hotel provides services to both residents and guests, and the towers' massive height provides birds-eye Central Park views.

Part of the allure was that the Time Warner Center "brought all these great things together," said the Marketing Directors' Andrew Gerringer. "The Mandarin Hotel, the restaurants, parking; it's got the whole package."

Buyers apparently agreed. New York's priciest condo sales in 2003, 2005, 2006 and 2009 were all at the Time Warner Center, including a \$43 million sale in 2003 and a \$37.5 million sale in 2009. Athletes, billionaires and musicians — from Jay-Z to Tom Brady — bought penthouses there.

Fifteen Central Park West has now surpassed the towers in price: While some Time Warner Center units now fetch an impressive \$6,000 per square foot, units at 15 CPW go for \$7,000 to \$10,000.

But the Time Warner Center "is still highly sought after," Miller said.

15 Central Park West

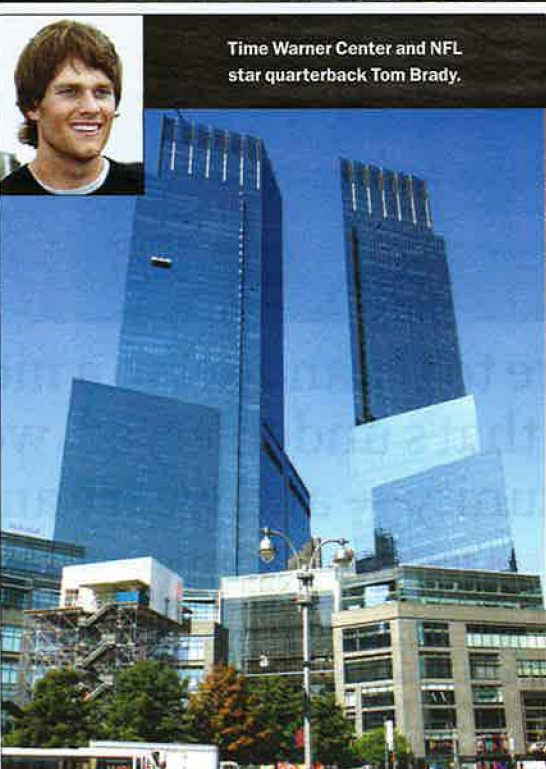
Designed by starchitect Robert A.M. Stern, 15 Central Park West is widely considered "the most successful building ever built," said Gerringer.

The 202-unit limestone building has made good on all the hype, making a mint for the Zeckendorfs and for buyers who purchased units early on.

Brokers say most apartments there are reselling for double or triple their original prices. Sandy Weill's unit famously set a record when it sold for \$88 million, or more than \$13,000 per square foot, last year — while only two years ago, a \$40



A rendering of One57 and buyer Silas Chou.



Time Warner Center and NFL star quarterback Tom Brady.



A rendering of 432 Park Avenue.

million unit in the building topped citywide condo sales.

Owners at 15 CPW have included mega celebrities and finance titans, including Sting, Lloyd Blankfein and Denzel Washington.

Its amenities include a 75-foot pool, a private dining room with a full-time chef and a billiard room. But the building's true advantage lies in its location on Central Park, where new construction buildings are rare, industry experts said.

"They just had undoubtedly the best development site in the city" Gerringer said. In

addition, the Zeckendorfs "did the right-size homes, they used the right architect, they did everything right."

One57

One57, which is under construction at 157 West 57th Street, doesn't have a sales office, but its buyers already include billionaires like fashion moguls Lawrence Stroll and Silas Chou, both of whom have reportedly signed contracts for \$50 million apartments in the building.

At the tower, designed by Pritzker Prize

winner Christian de Portzamparc, sales have already exceeded the \$1 billion mark, according to Extell's Gary Barnett. A 10,923-square-foot duplex penthouse is reportedly in contract for more than \$90 million. If the deal closes, it will surpass the Weill sale to become the most ever paid for a New York City apartment.

De França said One57 has "the views, the central location and the credible developer" to become the city's next It building. Like Time Warner, One57 will have a ritzy hotel on its bottom floors — the Park Hyatt — to amp up service.

One57 has several advantages over 15 Central Park West, sources say. First, it's taller, which means it will "certainly have great views," Gerringer said. And it's newer: Brand-new apartments tend to fetch 5 to 10 percent more in price than comparable resales, Miller said. "A large portion of buyers ... want something that hasn't been lived in before," he said, adding that they are "prepared to pay a premium for that."

But unlike 15 Central Park West, which sits directly on the park, One57 is located a few blocks away. "It's not the same as being right on the park," Gerringer said.

And some say the collapse of a crane at the tower's construction site during Hurricane Sandy could impact sales. "I suspect there will be demands to cancel One57 contracts, followed by lawsuits, a slowdown in further sales that will eventually pick up again," wrote Gross for the Daily Beast last month.

Only time — and closed sale prices — will tell if One57 will be as successful as 15 CPW. "Right now, it's all hype," said Gross. "You can't say the king is dead yet because 15 CPW is still king."

432 Park Avenue

When Harry Macklowe and CIM complete their 147-unit condo at 432 Park Avenue in 2015, it will surpass One57 as the city's tallest residential tower.

Details about 432 Park have been kept under wraps, but some units have reportedly already sold.

Broker Donna Olshan, founder of the boutique brokerage Olshan Realty, recently got a sneak peek at the building's plans, which she called a "home run."

Olshan predicted that when finished, 432 Park will likely steal demand from One57 and other upscale projects. "It's really going to be the ultimate in luxury," Olshan said.

The top 10 floors will be penthouses with five or six bedrooms. And units will range from 1,400 to 8,400 square feet, costing a blended average of \$5,800 per square foot, Olshan said.

But the over-the-top amenities are what prompted Olshan to describe 432 Park Avenue as the "building of tomorrow." The tower will have a landscaped sculpture garden, valet parking and wine cellars designed by high-end winery Sherry-Lehmann. It will also reportedly feature a private restaurant on the 12th floor with a terrace, as well as a fitness center, pool, sauna, steam room, library and conference and screening rooms. **TRD**

Additional reporting by Andrew Klappholz