

DAILY NEWS

June 20, 2014



Best Places to live in NY

KATHERINE CLARKE

Interest building in Nolita

50 new units are coming

BY KATHERINE CLARKE
REAL ESTATE EDITOR

Is snagging an apartment in hotter-than-hot Nolita becoming more realistic?

No, but the neighborhood's cachet has encouraged a group of Manhattan developers to build boutique condo buildings, with close to 50 new units expected to come on line in the next few months.

That's not enough to get prices down below astronomical, but it's the largest number of units the neighborhood has seen in years.

"Supply simply can't keep up with the demand from people who want to live there," said broker John Gomes of Douglas Elliman, who is marketing a three-unit white brick condo project at 25 Prince St. "The inventory is absorbed almost as quickly as it's released."

It's no wonder developers want to



Alfa Development is doing an 11-unit condo at 199 Mott St. (inset below); the units have killer views (above).

build in Nolita, with its pricey boutiques, experimental eateries and narrow, Old World streets.

"Nolita is a New Yorker's neighborhood," Gomes said. "It's polished, but it's still got a little bit of grunge to it. Anything that any developer can get in Nolita is a really good get."

Developer Mike Namer of Alfa Development is hoping to win big with his new 11-unit condo at 199 Mott St. Namer says he's being careful to

maintain the character of the neighborhood, which is special to him and his friends, though he still wants to build high-end apartments with modern finishes.

"This is a really beautiful enclave," he said. "You have to be careful not to disrupt the neighborhood."

Developers building in Nolita can expect to get top dollar for their efforts, especially since inventory continues to be cramped by the area's 75-foot building height cap – and little available land on which to build.

Check local listings: Just 12 apartments were available for sale in Nolita this week – and the median asking price was \$2.58 million, well above the Manhattan average.

Build anything and they will pay.

A 15-unit building at the once-empty lot at 211 Elizabeth St. sold out in record time in 2008. An apartment at the Puck Building at Lafayette and Houston Sts., which Jared Kusiner recently converted to high-end condos, just sold for \$28 million.

Namer, who grew up in Cuba, is known for his boutique condo projects downtown. His first project in Nolita was in

2000, when he renovated two old tenements into one luxury building on Spring St. He's been looking for more potential projects there ever since.

It's not an easy task to find available sites in the area, since many buildings are landmarked and a lot of families have owned the same tenements for 100 years. Developers, in turn are quick to jump on any potential sites.

Namer bought the building at 199 Mott – a long-shuttered family owned grocery – for \$9 million in 2010. His building will have 11 units over eight floors.

A roof deck will offer views of the World Trade Center and the Empire State Building.

"I don't think too many properties will be built in this neighborhood that will be as big as this," Namer said, referring to the height limits.

Namer's condos are relatively pricey. A two-bedroom on the third floor costs \$2.6 million, while a three-bedroom on the seventh floor costs \$7.5 million.

Similarly, tiny projects are also underway at nearby 224 Mulberry St. and 152 Elizabeth St. Prices are similarly high. On Mulberry St., developer Flank will



Another small project underway is the building at 224 Mulberry St. (inset at left, above) from Flank Development; prices are said to be "unapologetically high."

charge between \$6 million and \$30 million a unit at its seven-unit condo being built on a former parking garage.

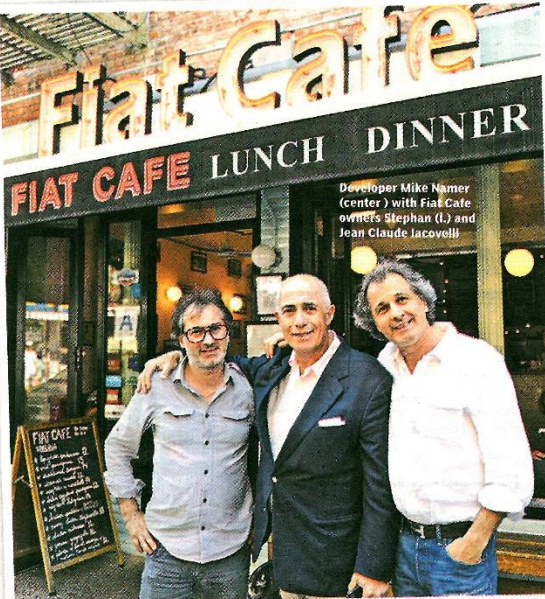
The developers believe buyers will pay gladly for a product that simply doesn't exist in Nolita. The project has very large apartments of up to 5,646 square feet, parking and outdoor space for every home.

Other projects in the pipeline include an eight-unit ultra-luxury condo at the corner of Kenmare and Elizabeth Sts.

being designed by Japanese architect Tadao Ando.

Development firm Sumaida + Khurana closed on a whopping \$21 million deal to acquire the site in February. Pricing for those units has not yet been announced, but it's a safe bet they'll be in the high six to low seven figures.

If you're paying that much for the land, you have to charge big prices to make money, brokers said.



Developer Mike Namer (center) with Fiat Cafe owners Stephan (L) and Jean Claude Iacovelli

SUSAN WATTS/DAILY NEWS