

SEXY EAST

EAST HARLEM SEES ITS OWN RENAISSANCE

By ADAM BONISLAWSKI

November 8, 2007 -- FOR most New Yorkers, East Harlem is just a subway ride away. Singersongwriter Holly Jean Cosner, on the other hand, crossed the continent to buy a condo in the up-and-coming area.

A resident of the Upper east Side, Cosner is working out of Los Angeles for the next several months. Before she left the city, though, she asked her real-estate broker to keep an eye out for any nice apartments in her price range.

Several weeks later, he called, saying he'd found what she was looking for - a one-bedroom in the 28-unit Aura condo building rising at 330 E. 109th St. Cosner flew back to New York to take a look. And though she had never once visited East Harlem during her 12 years in New York, the price (plus the building's low taxes and monthly fees) pulled her in.

"We got the apartment for \$430,000," she says. "That's unheard of!"

"Unheard of" might be overstating things a bit, but there's no denying that there are deals to be found north of 96th Street. With prices for some new construction starting at under \$500 a square foot, and the majority of units available for less than \$700 a square foot, East Harlem isn't just cheaper than most of Manhattan - it's a bargain compared to outerborough spots such as Williamsburg and Long Island City, as well.

"It's pretty undervalued," says Bert Leatherman, a management consultant who recently purchased a one-bedroom unit in 118th Street's new Casa Brava building (where a 965-square-foot studio is currently going for \$425,000). He hadn't really been looking to buy,



GREEN GIANT: Eco-friendly Observatory Place is on the way.

he says, but the more he considered the neighborhood's potential, the more interested he became.

There's been no shortage of buzz surrounding West and Central Harlem in recent years, but gritty East Harlem has flown a bit under the radar. Now, though, the area seems poised for its coming-out party - with a slew of new residential buildings and Manhattan's first Target store on the way.

"Anywhere in the area you see a vacant lot, somebody is either building on it or has bought it," says Corcoran Group broker Jessica Armistead, who, with her husband, Brian, lives and works in the neighborhood.

Dozens of projects have recently gone up or are going up - from small boutique buildings, like Juniper Development's Park Hill East condos at 117 E. 102nd St. (where prices start at \$680 a square foot), to the 68-unit Mirada building at Lexington and 110th Street (studios from \$410,000, one-bedrooms from \$450,000 and two-bedrooms from \$579,000). And jumping on the green bandwagon is architect Gary Silver's 38-unit Observatory Place, an eco-friendly building at First Avenue and 104th Street (studios from \$315,000 and one-bedrooms from the low \$400,000s).

Silver also has a nine-story condo in the works on Second Avenue between 110th and 111th streets and a six-story luxury building at 120th Street between First and Pleasant avenues. The latter will feature a parking garage with a high-tech device to turn buyers' cars around within the narrow building - letting them drive in and out of their spots without ever using reverse.

Aura developer Atria Builders has two additional buildings planned for the neighborhood. One, to be called Conrad, will consist of 35 one- and two-bedroom units. The other, currently nameless, will offer 35 studios and one-bedrooms. The pair are planned for a plot between 109th and 110th streets between First and Second avenues.

And on the western reaches of the area, at the corner of 127th Street and Fifth Avenue, AFC Development is converting a 1920s-era Beaux Arts building into 22 studio and one- and two-bedroom apartments (with prices per square foot in the \$750 to \$800 range). Slated for occupancy in January 2008, the building is just over 50 percent sold.

"You get tremendous value here," says AFC president Arthur Fefferman. "For residential south of 96th Street, prices are \$1,500 a square foot. So, for those buyers who can't afford that kind of level, their alternative is to look to Brooklyn or Queens or New Jersey. But some people aren't interested in living in those places. They want to be in Manhattan. And that's been fueling the Harlem market."

"Everyone wants to buy in Manhattan," says Atlantic Realty Partners President Aroza Sanjana, broker for the Mirada. "And this still counts as Manhattan."

For Hardeep Leyl, who bought into the Crown Condominiums at Second Avenue and 110th Street roughly two years ago, the issue wasn't so much buying in Manhattan as it was simply finding a place he could afford anywhere.

"Back then, I couldn't get anything in Brooklyn," he says. "I couldn't even find a little one-bedroom for under \$400,000."

Priced out of the outer boroughs, Leyl turned his search uptown.

"I sensed that this neighborhood has more potential for upside than a lot of areas. I looked in Brooklyn, I looked in Queens, I looked in Harlem proper, and East Harlem seemed to have the best combination of value and location," he says.

And, of course, as the area draws in buyers, stores and amenities are moving into the neighborhood to serve them. Most notable is the East River Plaza development at 116th Street and the FDR Drive - a 500,000-square-foot retail space slated to open next summer with stores including Home Depot, Best Buy and Target. (Just imagine the Victoria Hagan-loving Upper East Siders cabbing it uptown to shop!)

Slightly less dramatic offerings, such as the recently opened Savoy Bakery (across the street from the Mirada), Ricardo Steakhouse and the soon-to-open Boricua Lounge are also adding to the area's allure.

"The dialogue four years ago was, 'I guess I could live here, and if I want dinner I can go downtown,'" says Corcoran Group broker Valerie Dominguez. "Now, people know they can get a good dinner here in the neighborhood."

For Cosner, East Harlem today reminds her of the scene on the Upper West Side when she moved there 12 years ago.

"You see a lot of old places, a lot of old bodegas, but then right in the middle of that you'll see a gorgeous new restaurant," she says.

Sanjana gives the area a year before prices catch up to the low end of Central and West Harlem, citing strong demand from buyers seeking apartments in the \$400,000 to \$700,000 price range.

"There are just very few places in New York City where you can get that," she says. "Everyone knows that Harlem has become a hot place to be. Now East Harlem is starting to become that, too."