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## Raising the velvet ropes in Chelsea

*Developers hope to entice renters to buy into high-end projects priced lower than other area developments*

By MAYA DOLLARHIDE

Although Chelsea is increasingly known for its starchitect-branded towers – which tend to boast price tags that match their lofty pedigrees – some of the area's new luxury residential developments are more firmly grounded in market realities.

Condos at Alchemy Properties' Indigo and LCOR's Chelsea Stratus, for example, are priced substantially lower than other much-hyped Chelsea developments.

niche apartments, but 10 years ago Chelsea was not like today. It was not a mainstream location for buyers and developers. It was kind of a stretch."

Horn, whose company has developed more than 1 million square feet of high-end residential and commercial projects in the tri-state area, adds that "the cost to buy land or develop buildings has increased approximately two and a half times during the same period."

**"A lot of our buyers are paying huge rents in the buildings around the Stratus, and they would like to own their own homes."**

David Sigman, LCOR

Though these new high-end properties are expensive, they might be considered bargains for the neighborhood.

Alchemy Properties has built four residential buildings in Chelsea in the past decade and is currently completing construction on two more, the Oculus at 50 West 15th Street and the aforementioned Indigo at 125 West 21st Street.

The largest unit at the Indigo, a three-bedroom, is priced just over \$2 million. That might not sound cheap, until you consider prices at other new projects in Chelsea.

At Young Woo & Associates' Annabelle Selldorf-designed 200 11th Avenue, one-to

At the 53-unit Indigo, Horn says the apartments come stocked with amenities like radiant-heated floors, separate steam



Kenneth Horn's Alchemy Properties is building the Indigo, above, in Chelsea.

showers and baths, and oversized Sestito casement windows.

Designed by FXFowle Architects, the 13-story building will have an indigo-colored strip on its zinc facade. Studio to three-bedroom units will range in size from 605 to 1,758 square feet, with prices running from \$585,000 to \$2.1 million.

With rental costs in Chelsea averaging anywhere from \$2,100 to \$7,000 a month, developers like Horn and David Sigman, senior vice president of LCOR, which is currently building the 40-story Chelsea Stratus, hope to entice Chelsea renters to buy.

When the Stratus opens its doors next spring on Sixth Avenue between 24th and 25th streets, it will be the tallest building in



three-bedroom units run between \$2.5 million and \$14 million. At Verde Chelsea, an I.L. Thomas O'Hara-designed development at 125 West 22nd Street, two-bedrooms are selling for \$2.85 million.

Today's Chelsea prices reflect a marked shift from the 1970s and '80s, when the neighborhood was solidly middle-class, with the exception of a smattering of high-end brownstones and townhouses.

"When we started out in Chelsea, our original concepts were affordable housing, not high-end condos," says Kenneth Horn, president of Alchemy, which began building in the area in 1996. "They were

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the neighborhood at 40 stories.

It is a full-service condo with a 24-hour concierge, a doorman and other luxe touches. The rooftop terrace, designed by landscape architect Thomas Balsley, features a dog run. The media lounge has billiards tables, and the fitness center offers a basketball court.

The units, which range in size from 700 to 800 square feet for one-bedrooms, and up to 2,000 to 2,200 square feet of convertible space on the top floors, will have 9.5- to 11-foot ceilings. Many will have terraces and balconies,

and the apartments are going for \$1,200 to \$1,250 per square foot.

While that's not cheap, it's quite a bit less than the \$2,000 a square foot units are asking at the Jean Nouvel-designed 100 11th Avenue.

Sigman says sales at the Stratus are brisk, noting 40 percent of the apartments sold in a week. He says many buyers are former Chelsea renters.

"A lot of our buyers are paying huge rents in the buildings around the Stratus, and they would like to own their

own homes," he says. "The demographic in the neighborhood is a mix of singles and families, and the Stratus is appealing to both."

Despite the fact that the Stratus will be the highest building in the neighborhood, Sigman says he's not hearing complaints from longtime area residents.

"We did everything according to code. The whole area is zoned for residential homes, and we looked to Chelsea because it's a tremendously hot neighborhood – and we thought it was time to put some ownership options on that corridor." **TRD**