

The new rise of Manhattan's Financial District

By Adam Bonislawski

March 11, 2015 | 7:34pm



The condo- and hotel-filled Beekman is one of many high-wattage projects coming to FiDi.

Photo: Courtesy of The Beekman

GFI Development's Steven Hurwitz has a simple metric for measuring the emergence of Manhattan's Financial District as a residential neighborhood:

The speed of foot traffic.

People walking briskly down the street are likely in the area for work, Hurwitz explains, rushing off to a meeting or appointment. Those taking it slow, on the other hand, are probably locals, out for an evening stroll or to meet friends at a restaurant or bar nearby.

One of the world's most significant business hubs, the Financial District has never lacked for the first crowd.

It's the arrival of the second that has the real estate world talking.

From the rise of One World Trade Center to the rebuild of the Fulton Street subway station to the restaurants and retail going in at the renovated Brookfield Place, FiDi has seen more than \$30 billion in public and private investment over the last decade.

"That has really changed the bedrock of Lower Manhattan," Hurwitz says. And this shift, he notes, has primed the area for an influx of residential developments.



Architect Thomas Juul-Hansen is designing the residences at The Beekman, which will include prime Manhattan views, a media room and restaurants by chefs Keith McNally and Tom Colicchio.

Photo: Courtesy of The Beekman

Among the most impressive new developments is GFI and GB Lodging's The Beekman, a 68-unit condo tower (prices from \$1.6 million to \$15.3 million) attached to a 287-room Thompson Hotel at 5 Beekman St. A month after coming to market in October of last year, the project had a quarter of its units under contract.

It wasn't always this way. Despite high-profile condo developments like 15 Broad Street and 20 Pine, a decade ago "you had to educate every buyer about the neighborhood — what was down here, what it was like," says Douglas Elliman broker David Wanamaker.

Today “FiDi is a neighborhood people are asking about as opposed to having to be told about,” Wanamaker says. “People see the new developments and they walk in and say, ‘You know what, this is actually a great neighborhood.’ ”



The toy- and game-filled playroom at 50 West Street is helping the building lure young families.

Photo: DBOX

In addition to The Beekman, new area condos include Time Equities’ 50 West Street, a 191-unit condo tower (prices from \$1.8 million to \$22.6 million) designed by architect Helmut Jahn; Silverstein Properties’ 30 Park Place, a Robert A.M. Stern-designed condo-hotel project featuring 157 apartments (prices from \$2.6 million to \$60 million) atop a 189-room Four Seasons Hotel; and a 125 Greenwich, 128-apartment Rafael Vinoly-designed tower forthcoming from developers Michael Shvo and Bizzi & Partners.



Once tourist-filled, South Street Seaport is aiding FiDi's residential renaissance.

Photo: SHoP Architects

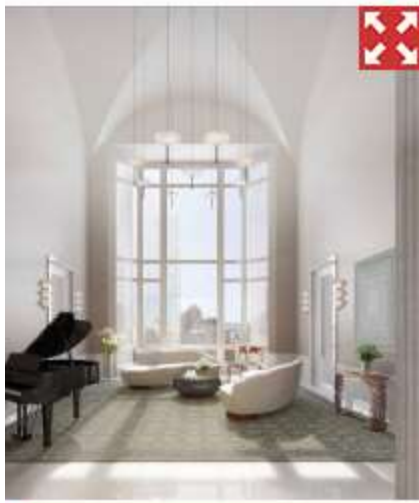
That's not to mention Howard Hughes Corporation's South Street Seaport redevelopment plans, which could include a 500-foot-tall residential tower. Or the ongoing condo conversion of the upper levels of the Woolworth Building, where prices for the development's 34 units will run from \$3.4 million to \$110 million for a seven-floor penthouse.

With prices per square foot in the \$2,500 to \$3,000 range, these projects are establishing new benchmarks for FiDi real estate, notes Carole Armstrong de Sorel, an agent with DJK Residential.

Nonetheless, the neighborhood still offers value, says Douglas Elliman broker Rob Gross. Indeed, according to numbers from appraiser Jonathan Miller, average price per square foot for FiDi condos and co-ops was \$1,224 in 2014, less than the overall Manhattan average of \$1,297, and well below the average in prime downtown neighborhoods like SoHo where prices average north of \$1,600 per square foot.

"The Financial District, especially on the western side, is a really good short term play," Gross says, noting that the retail center Brookfield Place will eventually comprise a corridor of shops and amenities including Hermes, Saks Fifth Avenue — along with restaurants from chefs Jose Garces and Joel Robuchon.

That corridor will also more tightly link FiDi to its ritzy northern neighbor TriBeCa.



A sunny conservatory at the Four Seasons Private Residences Downtown at 30 Park Place.

Silverstein Properties head Larry Silverstein also cites the TriBeCa connection.

Right now, Silverstein's company is working on the World Trade Center and 30 Park Place "[TriBeCa] has become one of the fastest growing and wealthiest neighborhoods in the entire city."

A sunny duplex at the Four Seasons Private Residences Downtown at 30 Park Place.

Photo: Archpartners

And this, he says, has in turn helped spark FiDi's residential development.

"You're going to have an amazing concentration of high net worth individuals and amenities coming in,"

Gross adds.

"Three years from now it will be completely transformed."



Recent FiDi arrivals Matt Motley and Paul Marchetti at their 88 Greenwich St. home.

Photo: Zandy Mangold

Gross recently steered clients Matt Motley and Paul Marchetti to a two-bedroom unit at 88 Greenwich St. Previously renting in Midtown East, the couple looked at nearly 40 different apartments in Chelsea, the West Village and TriBeCa before settling in FiDi.

Though Marchetti worked in the neighborhood, the pair were reluctant to move there. But, Motley says, “as I got in there and looked around, the perception and reputation just didn’t match.”

“Everything we heard was, ‘Oh, it empties out after dark, everyone is completely gone,’ ” Marchetti adds. “But we’ve found it to be quite the contrary.” Motley does, note, however, that better grocery stores would be nice.

“Ten years ago, you would be there at night, and it would just shut down,” says The Marketing Directors’ Jackie Urgo, who is handling sales at 50 West. “That’s just not the case anymore. You see people with baby strollers walking around. There are new shops, new restaurants.”



Nobu Matsuhisa, left, and Tom Colicchio, right.

Photo: Sylvain Gaboury/PatrickMcmullan.com; Brad Barket/Getty Images for New York Magazine

Perhaps most notably, iconic chef Nobu Matsuhisa's Nobu will move to FiDi in 2017. Additionally, restaurants from Tom Colicchio and Keith McNally are slated to open at The Beekman this fall.

And developer Prodigy Network is building a pair of extended stay hotels in the neighborhood at 17 John St. and 84 William St., both of which, says CEO Rodrigo Niño, will feature restaurants from "very famous," very trendy restaurateurs.

"The neighborhood is really coming into its own," Wanamaker says.

"People don't see it as a B option the way they did four or five years ago."

QUINN