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Mansion Global: New York City

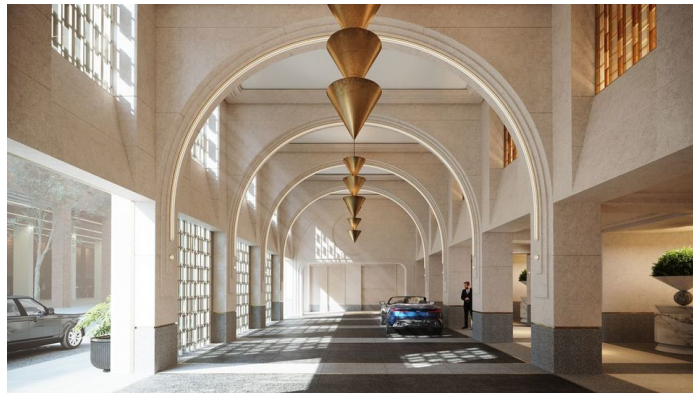
# MANSION GLOBAL

## The Allure of Buying in a New York City Icon Like the Waldorf Astoria

*While they come with some construction challenges, the payoff can be big for an apartment in a redeveloped classic building*

By V.L. Hendrickson

Impressions: 554,216



*A rendering of the porte cochere at the base of Waldorf Astoria's building. NOE & ASSOCIATES/THE BOUNDARY*

In a glass-and-steel jungle, some New York City buyers are going back to the classics. Historic buildings from Park Avenue to downtown Manhattan are being meticulously redeveloped, giving people a chance to come home to a bit of old New York. At the same time, these conversions are getting state-of-the-art upgrades in amenities and technology.

Take the Towers at the Waldorf Astoria. The famed hotel, which opened on Park Avenue in 1931, is currently undergoing a full restoration, according to Dan Tubb, the senior director of sales at the project. The project is set to have 375 residences, plus 375 hotel rooms and suites, with prices starting at \$1.7 million.

Sales officially launched for the residences on Thursday, but Mr. Tubb said more than 2,000 people have already inquired about the property. Many have a personal connection to the landmark, having stayed or attended events there in the past.

March 8, 2020

Mansion Global: New York City

"Everyone knows the Waldorf. Everybody loves the experiences that they've had at the Waldorf," Mr. Tubb explained in an interview.

Other classic Manhattan buildings, like 100 Barclay in TriBeCa or the Belnord on the Upper West Side, are also getting modern makeovers to appeal to buyers searching for buildings with character. Certain buyers prefer these projects because of their details and the quality of materials and construction.

"Typically, you will have buyers who love and appreciate pre-war buildings for the history and the ability to reclaim a piece of that history," said Maya Kadouri, the Douglas Elliman agent heading up sales at the Belnord. "And while you retain that pre-war aesthetic, you're also getting modernized interiors that are meeting the needs of today's lifestyle."

Restored buildings also offer solid investment opportunities.

"If you have something that is unique and special, then that's where the value is," said Vickey Barron, a Compass agent based in New York who was the director of sales at the converted Ralph Walker collection, which included 100 Barclay, Stella in Hell's Kitchen and the Walker Tower in Chelsea. "And it is going to hold its value because it's not easily found down the street."

The right restorations actually hold their value better than ground-up developments, she said.

"If they were able to preserve it and it's beautiful and they have a good layout because they have a smart architect and they spend the money on the finishes, then I believe that will outperform new construction all day long," Ms. Barron explained.

### **The Best of Both Worlds**

Making an old building new again means taking advantage of its bones.

"The value of the conversion is the architecture and the history and the materials that were used back then," Ms. Barron explained. "You just can't recreate what was done in the 1920s."

March 8, 2020

Mansion Global: New York City

But even the biggest history buffs don't want to give up modern amenities. Finding a balance between the historic and the modern is the key.

For example, Robert A.M. Stern Architects (RAMSA) was brought in to restore the Belnord on the Upper West Side, a landmarked Italian Renaissance Building dating back to 1908. He and his team were able to take advantage of the building's classic lines while updating floor plans and seamlessly integrating the best of today's domestic advances.

To that end, RAMSA redesigned each unit at the Belnord, as well as its public spaces. "They have an acute understanding of taking the classic layout and contemporary interiors," Ms. Kadouri said. "They exemplify the balance between the modern luxury within the pre-war framework and aesthetic."

That includes details such as the original mosaic flooring just of the landing. It has been fully restored but then diamond blasted "in a way that gives it a modern feel," according to Ms. Kadouri.

The Belnord, which takes up an entire square block on West 86th Street, has also added a 10,000-square-foot amenities package. The Belnord Club includes a private dining room with fireplace and chef's kitchen, a resident's lounge, a double-height sports court and a fitness center with yoga and stretching studios.

The newly landscaped courtyard, with a private gated porte cochère and residential driveway, is at the heart of the project, Ms. Kadouri explained.

"You have this private haven amid a very vibrant city within the courtyard," she said. "There is this feeling of privacy that you wouldn't get in a lot of other buildings."

Available listings at the Belnord include a two-bedroom, two-and-a-half bathroom for \$4 million and a five bedroom, four-and-a-half bathroom for \$11.5 million. These prices are "on par" with new construction of a similar quality, according to Ms. Kadouri.

### **Construction Challenges**

Restoration projects like these are expensive, and can involve a lot of work to prepare the site. Often, there are surprises along the way, as engineers open up walls to get a glimpse of what's been behind them for close to a century or more.

March 8, 2020

Mansion Global: New York City

For instance, the conversion of the former headquarters of the New York Telephone Company, now dubbed 100 Barclay in Tribeca, was a \$1 billion project, according to Jordan Brill, a partner at Magnum Real Estate Group. The company partnered with CIM Group to develop the project.

Built in 1927 and designed by architect Ralph Walker, the landmarked building was considered the world's first Art Deco skyscraper. It still houses Verizon offices, which take up floors two to 10 of the building, with residences beginning on the 11th floor.

The project had several unique hurdles. Before the restoration could even begin, the developers had to reorganize all of Verizon's equipment, as well as clean up significant damage caused by Superstorm Sandy.

"If we had made a mistake, we could have taken Verizon's network down," Mr. Brill explained.

Once they got down to the bones, however, they restored many of the original details of the building. That included the landmarked lobby and its hand painted mural by artist Hugo R.B. Newman, offering a lesson in communications history, from carrier pigeons to early telephones.

"We wanted to be respectful of the past and maintain that old-world feel," Mr. Brill said.

But they also brought in Jeffrey Beers International to update the lobby space with a curated collection of furnishings and accessories. Upstairs, there are 22 floors of loft residences, featuring high ceilings, custom walnut paneling, high-performance heating and cooling systems and oversized windows.

Construction on the project began in 2013, Mr. Brill said. Sales launched in the spring of 2015, and the project was completed in 2017.

There are more than 90 separate floor plans and 40,000 square feet of amenities. Prices start at \$4.5 million for a three-bedroom, three-bathroom home.

And although some buyers are attracted to the history of these projects, they aren't for everyone. It's simply a matter of taste, according to Ms. Barron, who added that many of her clients prefer brand-new spaces where their story is the first one being told.

March 8, 2020

Mansion Global: New York City

“What I see as ‘historic,’ some people just see as ‘old,’” she said.

## Restoring the Waldorf

When it comes to restorations, a sparkling facade isn’t enough, Ms. Barron noted. A conversion that looks good on the outside but hasn’t been finished to the highest standards won’t sell.



*Every president starting with Herbert Hoover in the 1930s up to Barack Obama stayed at the iconic, landmarked hotel.*

*Noe & Associates/The Boundary*

Developers have to have invested in not only the best finishes, but the best systems for the building to run smoothly. That means everything from four-pipe temperature-control and air-quality systems for the building to the best in-unit amenities, such as radiant-floor heating and top-of-the-line appliances.

At the Towers at the Waldorf Astoria, the design team is working to achieve that balance.

Chicago-based architecture firm Skidmore, Owings & Merrill (SOM) has taken on the job of reinventing the Waldorf, which was originally created by Schultze and Weaver. Jean-Louis Deniot, who is based in Paris, is designing the interiors for the residences, which will have an art collection curated by auctioneer and critic Simon de Pury. Pierre-Yves Rochon Inc., also French, is handling interiors for the hotel.

SOM is looking to recreate the magic of the original hotel, Mr. Tubb explained. To do that, the firm is working with the developer and restoration artists. They are pouring over archive material from the hotel and the original architect to determine what the original public spaces, including the ballroom, looked like.

March 8, 2020

Mansion Global: New York City

“What was the paint color in this room? What was the material that was cladding this column? What were these doors made of?” Mr. Tubb asked. “The restoration is not going back to a couple of decades ago. It's going all the way back to 1931, which was the true glory and heyday of the beginning of the Waldorf Astoria.”

The project is estimated to cost more than \$1 billion.

Residences, ranging from studios to four bedrooms and penthouses, will feature new windows with sound-dampening technology, custom herringbone floors, chef's kitchens with Gaggenau appliances and modern, open-floor plans.

The Waldorf will also have more than 50,000 square feet of private amenities, including a porte cochère with double-height vaulted ceilings providing private entry and valet service. Residents can also expect white-glove service with concierge services available around the clock and maid and room services on demand.

Clients from around the world are registering their interest. Luxury buyers have been holding back on big buys, but Mr. Tubb believes the Waldorf will change that.

“I fully believe that this building will be the project that injects buying energy back into the market,” he said.

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