

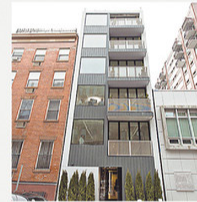
# THE WALL STREET JOURNAL.

## NEW UNITS START TO SPELL LUXURY IN MANHATTAN'S ALPHABET CITY

DEVELOPMENT ON WESTERN SIDE OF EAST VILLAGE HAS BEEN MOVING EASTWARD

By Melanie Lefkowitz | February 6, 2015

IF YOU'RE BROWSING FOR A HOME IN ALPHABET CITY...



### \$555,000

323 E. Eighth St., No. 1D

This co-op has one bedroom, one bathroom with a window, an open layout and a kitchen with stainless-steel and designer appliances. There is exposed brick and a fireplace mantle.

- ◆ **Listing History:** On the market for less than a week
- ◆ **Property Plus:** The unit has two windows with built-in seats overlooking a garden.
- ◆ **Property Minus:** No laundry in unit; shared laundry in basement.
- ◆ **Open House:** Saturday, 2:30 p.m. to 4 p.m.

### \$699,000

217 E. Seventh St., Unit LLA

This condominium has one bedroom, one bathroom, a private terrace and an open kitchen with stainless-steel appliances. The building includes a shared roof deck, garden and bike storage.

- ◆ **Listing History:** On the market for around seven weeks
- ◆ **Property Plus:** There is private and shared outdoor space.
- ◆ **Property Minus:** The apartment is on the ground floor.
- ◆ **Listing Agent:** Nicholas Zachary Palance of Brown Harris Stevens
- ◆ **Open House:** By appointment

### \$1.75 million

277 E. Seventh St., No. 4

This condo has two bedrooms, two bathrooms, a designer kitchen and keyed elevator entry. The master bathroom has a private terrace and the building has a private bike-sharing system.

- ◆ **Listing History:** On market for two weeks, says the developer.
- ◆ **Property Plus:** Floor-to-ceiling windows leading to balcony
- ◆ **Property Minus:** There is no storage in the basement.
- ◆ **Open House:** Sunday 10 a.m. to 4 p.m. and Saturday by appointment

Claudio Papapietro for The Wall Street Journal. Listing data via StreetEasy.com

Alphabet City, in the East Village, still has the relatively quiet streets, community gardens, a diverse population and active local organizations that have characterized the area for decades. But increasingly, it also has luxury housing options for new residents.

Several new or converted buildings, both rentals and condominiums, have recently opened or are under construction as far east as Avenue D. More restaurants and boutiques, long common on First Avenue and Avenue A, are opening on Avenue C. Lower prices than can be found closer to First and Second avenues in the East Village are enticing more buyers farther east, developers say.

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“You’ve certainly got all the elements there—the park, the restaurants, pretty blocks, a lot of stuff within walking distance—it’s also very bike-friendly,” says Steve Ferguson, co-founder of Saddle Rock Equities, who with his partner Joe Eisner developed 277 E. Seventh St., a six-unit condominium between Avenues C and D. “It feels a little slow-paced—it almost feels like Brooklyn in a way.”

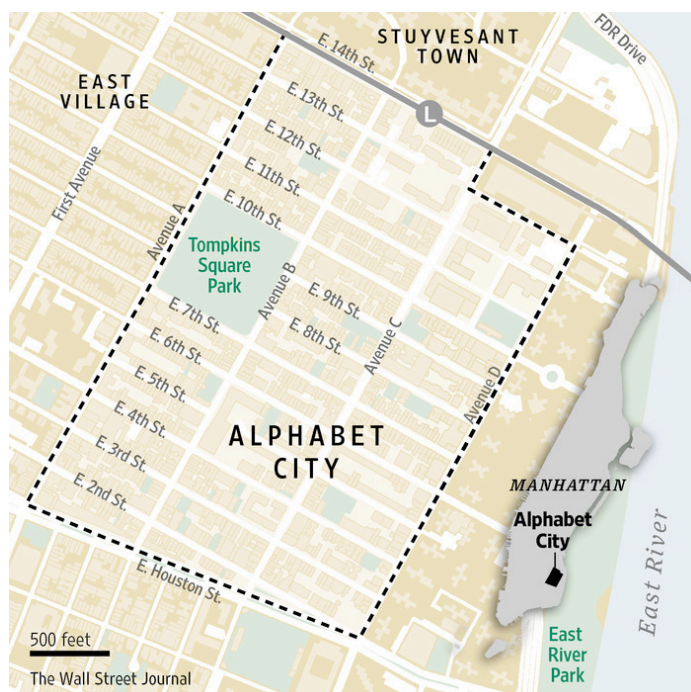
Decades ago the area, roughly bounded by Houston and 14th streets and east of First Avenue and west of the large Jacob Riis and Lillian Wald housing projects, was ridden by drugs and crime, with ruined buildings and vacant lots. Its colorful history also includes artists, radicals and squatters. Like other downtown neighborhoods, it has gentrified over time, and in recent years the widespread development in the western side of the East Village has been moving eastward.

Much of the neighborhood is relatively far from the subway. There is an L station at 14th Street and First Avenue, and the Second Avenue F station is on Houston Street. Other subway stations are more than a 10-minute walk away. Buses run along most of the avenues, and Citi Bike stations have opened along Avenues C and D.

Mr. Ferguson’s building, with floor-through apartments ranging in asking price from \$1.6 million to \$2.15 million, hit the market in January after a delayed launch last year. Three of the units have so far sold, he says.

Most of the new condo developments tend to be small, but their numbers are increasing, developers and local advocates say. Large rental developments are also opening, including the Adele, a 135-unit luxury building at 310 E. Second St., and the 78-unit Arabella, at 101 Avenue D. There are also older co-op buildings as well as townhouses.

Despite the changes, the area remains one of the city’s most diverse census tracts, says Sara Romanoski, managing director of the East Village Community Coalition, a neighborhood advocacy and preservation group. But the increased popularity with higher-end buyers is putting pressure on some longtime tenants, as well as some long-standing small businesses, she says.



Residential buildings along East Seventh Street between Avenue C and Avenue D in the Alphabet City section of Manhattan. PHOTO: CLAUDIO PAPAPIETRO FOR THE WALL STREET JOURNAL

“There’s concern about character, and there’s concern about crowding and density...We’re putting a lot of pressure on our train stations,” she says. “We want small, independent businesses to be able to survive here—some will benefit [from the new housing], but not all will.”

The latest District Needs Statement for Community Board 3, which includes this area, notes that lower-income residents and small businesses face many challenges as gentrification transforms the area, also encompassing the Lower East Side and Chinatown.

The new high-end condominiums are generally selling for around \$1,500 a square foot, compared with the \$2,000 to \$3,000 a square foot that similar apartments are getting on blocks closer to Second Avenue, says Ariel Tirosh of Douglas Elliman, who has been selling apartments at another new condo building, at 227 E. Seventh St. All but one of the six units in the building have so far sold, he says.



"It's a nice, very intimate neighborhood...One building uptown [would have] 300 apartments, and that's more than two blocks here," says Mr. Tirosh. "I think public confidence is growing. You're seeing more new faces, more stores coming in."

**Parks:** Tompkins Square Park, between Avenues A and B and East Seventh and 10th streets, has two playgrounds, ball fields and basketball courts, and hosts concerts, movies and annual events. John V. Lindsay East River Park runs along the FDR Drive and the East River between Montgomery and East 12th streets, and includes promenade and amphitheater.

**Schools:** Alphabet City is part of District 1. Local schools include PS 64, on East Sixth Street, where 16% of students met state standards in English and 21% did so in math, and the East Village Community School, on East 12th, where 48% met standards in English and 65% in math, according to the 2013-14 Elementary School Quality Snapshot.

**Dining:** Restaurants on Avenue C include Edi and the Wolf, serving Austrian cuisine, and Le Jardin Bistro, which opened in Alphabet City last year.

**Shopping:** Alphabet City Wine Co. is on Avenue C. There is an Associated supermarket on East Eighth Street.

**Entertainment:** Local bars include the Wayland, on East Ninth, and the Summit Bar, on Avenue C.



Ninth Street Espresso in Alphabet City. PHOTO: CLAUDIO PAPAPIETRO FOR THE WALL STREET JOURNAL