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The upscale 949 Park Ave. condo building (model unit pictured) has six big duplexes priced at more than $2,400 per square foot.

ROLL WITH THE NEW

By MAX GROSS

IT'S been a frigid New York winter, but the city's once frozen new development market seems to be thawing.

"We're building quite a lot," says developer Zach Vella, a partner with Justin Ehrlich at VE Equities. "We've got five ground-up projects right now."

Next week, Vella's building at 949 Park Ave., which is being marketed by Leonel Piraino of Prudential Douglas Elliman, is hosting its first broker party — and the 12-story, six-duplex condo isn't playing the wallflower when it comes to prices. The cheapest unit is $4.675 million, for a 1,900-square-foot two-bedroom — over $2,400 per square foot.

Meanwhile, signage will go up on another VE project at 471 Washington St. in TriBeCa next week; apartments in the 12-unit building will start at approximately $1.7 million and go up to $15 million.

Also on Vella's to-do list: a 55,000-square-foot project at 250 Bowery; a building at 1 N. Moore St. that just topped off; and a fifth (also in TriBeCa), 50,000-square-foot building.

And other developers are taking the plunge, too.

"It's a good time to launch a new product," says Harlan Berger, one of the partners at Centaur Properties, who plans to unveil a 78,000-square-foot, 53-unit condo building at 305 W. 16th St. in the coming weeks. (The name of the project has not been announced, and pricing — expected to be about $1,200 per square foot, comparable to nearby buildings — has yet to be approved by the attorney general's office.)

Centaur purchased the land in 2006 but decided to wait until the project was ready for move-ins before marketing units.

"In the last year, the existing inventory on the market has been sold or is being sold," says Shaun Osher of Core, the brokerage that will be marketing 305 W. 16th St. "Anyone who comes to market with good product is going to do very well."

Osher is not alone in this assessment.

"People are getting teed up for the market to return again," says Mitchell Hochberg of Madden Real Estate Ventures. "Particularly in New York, where the existing supply will whittle its way down over the course of the year." (Hochberg is himself in negotiations to buy the debt

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WHAT'S UP

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on two hotels and a distressed condo project.)

"Many of the trophy downtown listings are going to be picked up" over the next year, says Kelly Mack of Corcoran Sunshine Marketing, "and they're not going to be replaced for some time."

Corcoran Sunshine is marketing 30 loft units at 77 Reade, a new loft building in a cast-iron former warehouse in TriBeCa, where apartments start at about $1 million and should be ready for move-ins this summer.

Multiple real estate marketing firms are gearing up for the return of new developments all over the city.

Andrew Heiberger, the founder of Citi Habitats and a developer himself, recently founded the Town Residential brokerage, which just announced a strategic partnership with Thor Equities' Joseph Sitt and has lured top brokers including Wendy Maitland and Reid Price.

According to Price, the head of Town's new development division, "one of [the new buildings Town is going to be selling] is nine to 15 units. Another is approximately 35 units."

And Michele Kleier of Gumley Haft Kleier has been openly flirting with the idea of starting a new developments division.

"It's a sign of the strength of the market," Kleier says. "I've been thinking about this for a while. I don't know whether this is the exact moment, but the answer is yes."

"Developers are just now bidding on sites," says Fredrik Eklund of Prudential Douglas Elliman, who is selling 471 Washington St.

A developer Eklund knows spotted a plot of land in Midtown for $31 million that he thought of buying but hesitated: "He found out a few weeks later it sold for $39 million. It's amazing that sites that nobody wanted to touch, or sites that [developers assumed] were too complicated to build on, there are now bidding wars."

That's welcome news for the market.

As bad as NYC real estate was hit over the course of the recession, no sector was more badly bruised than new developments. Why? First, ground-up construction was more expensive than existing stock.

New development is currently "selling at $1,100, $1,200 per square foot," Hochberg says. "But the truth is you can't build new and sell at $1,200 and make money."

Indeed, Hochberg says, one of the reasons prices came down was because banks and investors surrendered to the fact that a lot of these projects weren't going to make much money. Many projects that cropped up in the past couple of years were distressed or stalled properties that rival developers snatched up at a big discount and finished at a much lower price.

Zandy Mangold

BREAKING PADS: The time is suddenly ripe for new condos like 305 W. 16th St. (above) and 77 Reade (left), both of which will start selling in the coming months. "We should have a short trigger between launching the property and move-ins," says Corcoran Group broker Barrie Mandel of 77 Reade, which is expected to have five penthouses.

The other sword hanging over new developments' heads was whether properties would make it out of the recession alive. Would these new buildings be foreclosed on? Would they turn rental? Would their value plummet?

To a certain extent, that question has been settled. The healthy have pulled through.

"In our first 12 months we're on track to surpass 100 sales," says Jacqueline Urgo of the Marketing Directors about the Sheffield, one of the many rental-to-condo conversions that had been through extremely painful (and public) spats between its former developer and its residents. Since March, Urgo says, 88 units have closed, and there are another nine contracts out. (Prices go from $699,000 to $3.75 million.)

Buildings like the W New York-Downtown, with buyers that signed contracts as far back as 2007, have kept their nerve.

"What we had to do is maintain integrity," says Jason Gohari of the Moinian Group, which developed the W. "If we were [slashing prices like] others in the area, we would have lowered the value of the product. So we said, we're sticking to $2,000-per-square-foot pricing."

Gohari says that the W signed two contracts two weeks ago for a combo unit at full asking price.

And while banks are still gun-shy about bankrolling bigger projects (those with hundreds of units), certain developers are still dreaming big. Will and Arthur Zeckendorf of Terra Holdings, who had possibly the greatest condo success in the city's history with 15 Central Park West, now have set their sights on the old Parkside Evangeline building in Gramercy. They bought the property for $60 million and have reportedly hired Robert A.M. Stern to design it. (The Zeckendorfs declined to be interviewed.)

Likewise, Extell is in the middle of putting up a massive, 90-story tower called Carnegie 57, which will include a 210-room Park Hyatt Hotel and 135 condos.

And more is coming.

"Between 2012 and 2014, we're going to start to see a completely different set of real estate offerings," Mack says.

"I'm working with a foreign developer who wants to get into New York," Eklund says. "They do not want anything less than 200,000 square feet."