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Brooklyn Heights succumbs to building boom

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Homes in Brooklyn Heights with the skyscrapers of Manhattan beyond

The quiet, tree-lined streets of Brooklyn Heights have long been among the most sought after for real estate in New York City. Its proximity to Manhattan and an abundance of historic architecture — some of it dating back more than 100 years — has helped the area command some of the highest prices in Brooklyn.

While the district has largely escaped the wave of property development that has gripped the rest of Brooklyn in recent years, a small building boom is now taking hold in a neighbourhood unaccustomed to large-scale projects.

According to CityRealty, a property-tracking company, at least six residential developments are in the construction or planning stages in Brooklyn Heights, set to bring more than 774 new homes to an area that measures just over a quarter of a square mile. Many of the new projects target the upper end of the market, where availability has traditionally been tight. “Low inventory has always been the biggest obstacle to buying real estate in places like Brooklyn Heights,” says Leslie Marshall, an estate agent at Corcoran’s local office. “Now there’s more development and that benefits the increasing number of buyers who want to be here.”

According to property appraiser Miller Samuel, prices have almost doubled since 2010. Already New York’s most populous borough, Brooklyn is still growing. More than 22,000 new apartments are on track to be built by 2019, says CityRealty. While much of the new construction will be in emerging areas such as Bushwick, Red Hook and Bedford-Stuyvesant, some of the building is under way in well-established areas too, such as Dumbo, Williamsburg and Brooklyn Heights.

“The Brooklyn market is seeing sales strength in just about every corner,” says Doug Bowen, a broker with Douglas Elliman. “Adding units and new property investment just make sense for developers.”

And nowhere more so, it seems, than in Brooklyn Bridge Park, an area of Brooklyn Heights that hugs the shoreline in the shadow of Brooklyn Bridge. The area sat largely barren of property development for decades, but is now undergoing an ambitious transformation that includes new condominiums, upmarket hotels and restaurants. Pierhouse at Brooklyn Bridge Park, a hotel and condo complex developed by Toll Brothers City Living, includes 106 apartments with landscaped gardens and unobstructed views across the East River to Lower Manhattan.



Although the project will not be complete until March next year, 70 per cent of its homes have already been sold, including a four-bedroom penthouse with more than 5,000 sq ft of living space that was bought for \$11.18m — one of the most expensive condominium purchases ever in the borough, according to David von Spreckelsen, president of Toll Brothers City Living. Prices

for the remaining apartments range from \$2.55m for a one-bedroom unit to \$11.19m for a five-bedroom home.

One Brooklyn Bridge Park is a 12-storey building with 360 apartments that also includes a 3,000 sq ft fitness centre, a yoga studio and on-site parking. Douglass Elliman is marketing a two-bedroom, 2,550 sq ft apartment in the development for \$3.6m. Prices for the 16 apartments that remain on sale in the building range from \$995,000 for a one-bedroom unit to \$4.99m for a five-bedroom home.

“Brooklyn real estate has always been synonymous with older structures and prewar buildings,” says Tom Bohan, a broker with estate agency Weichert. “But the newer developments are attracting a lot of buyers with larger spaces and updated amenities.”



A new four-bedroom apartment in the Pierhouse project, \$8.1m

Traditional stock is still in great demand, though. Corcoran is selling a four-storey townhouse built in 1857 in Pierrepoint Place that, at \$40m, is marketed at a record sum for a residential property in the borough. The house has 16 bedrooms and 17,354 sq ft of living space, as well as more than 9,000 sq ft of garden and outdoor space.

Not everyone is thrilled with surging property development in Brooklyn Heights. Several preservationist groups led by longtime residents oppose the rash of new construction, arguing that the building boom is altering the area’s historic charm and blocking its views of Manhattan. One group, called Save the View Now, lost a court fight in June to block the Pierhouse development when a New York State Supreme Court judge dismissed its lawsuit.

Yet developers and many long-time brokers in the area defend the building work. “It was inevitable that an area as popular as Brooklyn Heights would see more property development at some point,” says Leslie Marshall, of Corcoran. “But frankly many of these newer properties have taken pains to keep with the area’s architectural integrity and some of them are actually adding value to the neighbourhood.”

Buying guide

- Brooklyn Heights has a population of about 22,600 people
- The district extends from the Brooklyn Bridge to Atlantic Avenue and borders the well established neighbourhoods of Dumbo and Cobble Hill
- JFK international airport is 17 miles away
- There are no restrictions on foreign buyers in New York
- Real estate taxes in New York City are based on the assessed value of the property and can vary widely based on price and location

What you can buy for . . .

\$1m A two-bedroom home in a prewar building near Brooklyn Bridge Park

\$3m A three-bedroom condo with river views in a newly built development

\$5m A four-story townhouse with five bedrooms, a garage and garden