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Real Estate

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BIG DEAL

My, How You've Grown!

DRESSED in hard hats but cloaked in hedge fund millions, Harsh and Purvi Padia studied a 4,200-square-foot penthouse with panoramic views under construction last year in TriBeCa and then stunned the listing broker, Fredrik Eklund, with their assessment: Too small.

Three bedrooms wouldn't cut it, even with 4,000 square feet of outdoor space and a private rooftop pool. The couple wanted extra room for a private gym and larger, flow-through spaces.

"It's still not really where we would like to be," Ms. Padia told Mr. Eklund, a broker at Prudential Douglas Elliman. Her husband added, "We take up a lot of space," though the couple had just one child.

Then Mr. Padia, who runs the hedge fund HAP Capital, made a suggestion. Why not combine the four-floor penthouse with the full seventh floor below it to create five floors with 7,200 square feet of interior space?

"Who are these people?" Mr. Eklund said on the recent epi-

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MARILYNN K. YEE/THE NEW YORK TIMES

ROOMY The Centurion on 56th Street is offering a 9,000-square-foot combination space.

BIG DEAL

My, How You've Grown: The Super-Sized Space

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sode of the reality show "Million Dollar Listing New York" that detailed his encounter with the Padias at 471 Washington Street.

This was no reality-show embellishment. Across Manhattan and in South Florida, developers have been scrambling to super-size apartments to meet the surging demand of the highest stratum of luxury buyers, who continue to break sales records while paying premiums for more square footage.

While the idea of combining residences is not new, real estate marketers and appraisers say the jumbo sizes of the combined homes are taking sales into uncharted territory.

"I don't recall in my 25 years in the business seeing this sort of phenomenon happening with this size of a unit," Jonathan J. Miller, the president of the appraiser Miller Samuel, said of the Manhattan market.

A decade ago a typical Manhattan combination was closer to 3,000 square feet. "Now 6,000 square feet is the new 3,000 square feet," said Kelly Mack, the president of Corcoran Sunshine Marketing Group. "The highest tier of buyers is really looking to create these mini-megamansions in the sky."

Even without combinations, the average high-end apartment size has grown over the past decade as developers have recognized the demand for larger and larger. When the Time Warner Center opened for business in 2001, the average size of its apartments was 2,217 square feet. In 2003, at 1 Beacon Court, it grew to 2,362 square feet. Then, in 2005, the developers of 15 Central Park West built apartments averaging 2,655 square feet, according to Corcoran Sunshine.

The latest is 157 West 57th Street (One57, as it is branded), which opened for sales this year with an average apartment size of 3,584 square feet. In fact, more than half of the condos in the building have 3,000 square feet or more, said Gary Barnett, the president of Extell Development Company, which is building One57.

Yet even with 10 full-floor apartments selling for about \$50 million each and a duplex penthouse listed at \$115 million, Mr. Barnett was finding that demand among the world's superrich for the largest apartments was heavier than he expected. The full-floor apartments —

all bought by billionaires — are almost gone. So two months ago, the developer combined smaller apartments into four apartments of 5,500 square feet each that could be configured with five bedrooms or with four bedrooms and a library. Asking price: around \$35 million apiece.

"As pricing has escalated," Mr. Barnett said, "you are reaching into a new class of buyer, a wealthier class of buyer, and they want to live graciously. It is not the amount of bedrooms that counts, it is the graciousness of the space that matters."

Many of those buyers are from countries that are bubbling with newly minted centa-millionaires and billionaires. In both Manhattan and South Florida, a lack of inventory and the strength of demand are pushing developers to find creative ways to satisfy a class of all-cash buyers from places like Brazil, China, Russia and the Middle East.

"Expectations continue to increase," said Vanessa Grout, the chief executive of Douglas Elliman in Florida. "Their budgets are unlimited, so why not demand the best?"

Given the markets where many of the high-end buyers are coming from, "luxury addresses in South Florida are still a value compared to a flat in London, an apartment in São Paulo or a home in Rome," said John Manrique, the vice president for sales and marketing of the St. Regis hotel-condominium in Bal Harbour.

Still, in Manhattan the scarcity of inventory at the highest end is especially acute, driving ever more combinations. As of Thursday, there were 195 apartments and 55 town houses in Manhattan for sale for \$10 million or more, with a few dozen more in "shadow" inventory (officially unlisted but available), according to Corcoran Sunshine Marketing Group. But of that number, very few are of the scale and quality



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AIRY
A penthouse triplex combination at the Laureate on the Upper West Side, with over 7,000 square feet, is for sale for \$22 million.



GOING UP

The space at the Centurion is for sale for \$39 million. The developer has rejected an offer in the low \$30 million range, a broker said.

owned by Courtney Sale Ross, the widow of Steven J. Ross, the former chairman of Time Warner Inc., had gone into contract for a little over \$50 million, a person familiar with the transaction confirmed.

The residences, not currently combined, have a total of 30 rooms, including 8 bedrooms, 10 bathrooms and 6 terraces. The sale, first reported by The Wall Street Journal and Michael Gross, the author of a book on 740 Park, would be the highest ever for a Manhattan coop.

In some cases, developers are building bigger to accommodate larger families, who are choosing to suffer the high cost of Manhattan or returning to enjoy all that the city has to offer. But sometimes children aren't part of the equation.

One buyer, an American with an art and furniture collection spanning three centuries, went to Corcoran Sunshine recently looking for 6,500 square feet just for him and his partner. He was searching for major entertainment spaces, a dining room, a library, a large living room to host big cocktail parties associated with the art world, a huge master suite with dual bathrooms, sitting rooms, two offices, an extra-large kitchen and pantry, maids' rooms and secondary bedrooms for guests.

Corcoran Sunshine is still working

with the buyer to design a custom layout at the Apthorp, the condo conversion at 2211 Broadway on the Upper West Side, Ms. Mack said. "It will be a combo of multiple units," she said.

Earlier this year the developer of the Centurion, a 19-floor building at 33 West 56th Street designed by Pei Partnership Architects & I. M. Pei, decided to offer two duplex penthouses and a full floor underneath as a combination of about 9,000 square feet. The developer of the building, which began selling in 2009, had already rejected an offer in the low \$30 million range, said Thomas Guss, the listing broker and the president of New York Residence. The asking price is \$39 million.

Since he announced the combination, visits to his online listing and apartment showings have picked up considerably, Mr. Guss said. The majority of interested buyers are from out of town, including a royal family from the Middle East who recently sent a security adviser to approve the 48-unit building.

Other examples abound. The Laureate, a condo building at 2150 Broadway, is asking \$22 million for a penthouse triplex combination of over 7,000 square feet that could be configured with up to 10 bedrooms and 2,600 square feet of outdoor space.

Back in TriBeCa, after getting the developer to spend hundreds of thousands of dollars to combine the penthouse with the seventh floor, the Padias paid \$17.06 million last year for their five-story home at 471 Washington Street. They recently had a second child and plan to move in "very shortly," Mr. Padias said.

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The super-wealthy buyers have shown they are willing to finance ballooning budgets to combine already huge apartments into megaspaces. In recent days, news leaked that a pair of duplex apartments at 740 Park Avenue