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NEIGHBORHOOD WATCH

Still boom for improvement in Billyburg

By JOHN MAJESKI

As word spread earlier this year about the growing number of stalled construction projects throughout the Big Apple, Williamsburg was frequently listed as the hardest hit. The New York Post in July called the trendy neighborhood “ground zero” for troubled building sites.

But brokers say the claims were unfair and that Williamsburg is already bouncing back.

“I would not characterize Williamsburg and other parts of Brooklyn alone as the only ones being hit hard,” said Tom Le, senior vice president, associate broker at Corcoran.

“I think it’s a national phenomenon and the state of the financial market has affected all neighborhoods across the country. Fortunately, a fair number of Williamsburg’s developers turned their developments into rentals. And with more inventory under control, and prices becoming more in line with the market condition, Williamsburg is poised to strengthen and develop

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into a great neighborhood of choice for all market sectors.”

Sarah Burke, executive vice president at Prudential Douglas Elliman’s Williamsburg office, said the market here will not be hit long-term by such negative press.

“In general, I think buyers are so educated,” she said. “They are looking for location, size and value.” She said Williamsburg offers all three.

Bounded by Greenpoint, Bedford-Stuyvesant and Bushwick, Williamsburg sits across the East River from Manhattan’s Lower East Side. In addition to attracting various ethnic communities such as Hasidic Jews, Hispanics, Germans and Italians, the neighborhood has become known as a destination for the young and hip. Driven by cheap rents and a desire for nifty live-work spaces, artists and other creative types began moving in during the 1990s.

Rents have risen dramatically since then as the area has gained in popularity. Once a blue-collar neighborhood, Williamsburg has become one of the trendiest parts in the city — even sometimes referred to as “Hipsterville.”

Le said there is more to the area than some may realize, however.

“Williamsburg is actually a large neighborhood with four distinct sections (Williamsburg, Northside, Southside and Eastside) with completely distinct nuances,” he



Douglas Development’s The Edge is one of a plethora of new developments in Williamsburg.

said. “Unfortunately, most people think of Williamsburg only in terms of the Northside.”

Le said current sales prices range from \$600 to \$900 psf, depending on the type of product, while current rental prices range from \$28 to \$40 psf. Choices are abundant.

“The whole neighborhood of Williamsburg offers a full spectrum of housing stock including brownstones, federal brick townhouses, clapboard houses, warehouses and midsize to high-rise modern condominium buildings,” he said.

Scads of new residential buildings and conversions have hit the market in recent years, in part spurred by a 2005 re-zoning that allowed high-density residential along the formerly industrial areas of Northside and Greenpoint. According to StreetEasy.com, there are 130 new developments listed for Williamsburg — more than any other neighborhood on the site.

Recent “Billyburg” buildings include: Northside

Piers, Toll Brothers’ twin glass towers along the waterfront; The Edge, 575 luxury condominium units on North 6th and North 7th streets courtesy of Douglas Development; The Mill Building, a conversion loft building that sold out in six months on North 3rd Street; and 297 Driggs Avenue, a boutique project on McCarren Park that features just 14 residences.

The neighborhood’s “boom” period is perhaps a matter of debate.

“A lot of people would equate that the boom happened 10 years ago,” Burke said.

“I’d say it was from 2003 to 2006 when the first wave of new condos came in. All of a sudden you saw a huge popularity. I bought here in 2003 — I live with my husband and son. I remember people said it already boomed, but I said, ‘Oh no, it hasn’t boomed just yet.’”

Burke said residents are attracted to Williamsburg for its prices (while they have risen, they are still less than Manhattan), its short distance to Manhattan and its neighborhood feel.

“It’s intimate,” she said. “It’s great to have a butcher and these other markets. You know your neighbors, store owners. Nothing’s really higher than six stories and you get sunlight and trees.”

David Maundrell, president and founder of apt-sandlofts.com, said North Williamsburg commands the highest prices at between \$650 to \$1,000-plus psf. South Williamsburg (specifically the area south of the Williamsburg Bridge to Flushing Avenue) commands the least expensive prices at between \$350 to \$500 psf.

Maundrell said Williamsburg had been hit so hard with stalled developments because of both the economy and the city.

Developers had “an inability to get construction financing after being forced to comply with requirements to qualify for the old 421-a tax abatement program,” he said.

Maundrell said Williamsburg prices were impacted by the downmarket like everywhere else, but that things have been stabilizing over the last four or five months. He said the future looks bright.

“The neighborhood has not matured yet. It is still growing and truly becoming an amazing area and a very unique place,” he said.

— SARAH BURKE, PDE



TOM LE

DAVID MAUNDRELL