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New York's Chelsea: bold new architecture adds to the picture

Art galleries and new upmarket residential projects are reinforcing the appeal of this Manhattan neighbourhood



Colourful street art in Chelsea, Manhattan © Alexander Spatari/Getty Images

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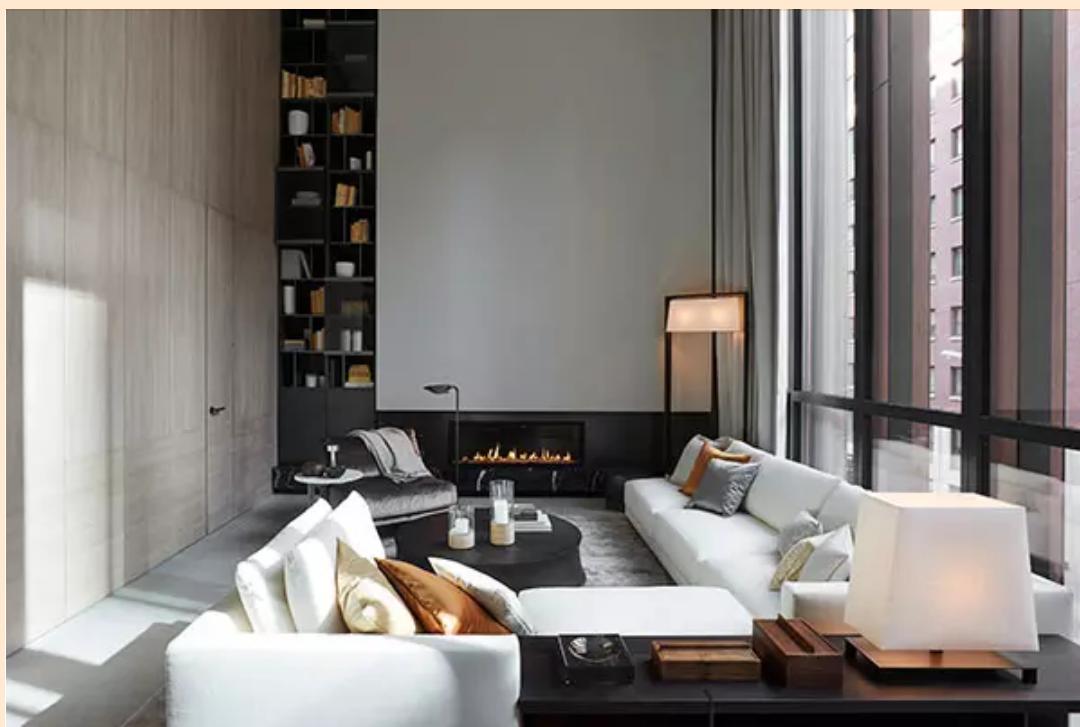
Almost 300 art galleries dot Manhattan's Chelsea neighbourhood, and they are filled with some of the most important names in contemporary art. Visitors may find similar inspiration in the buildings rising above them.

Architecture practices from Frank Gehry and Jean Nouvel to Zaha Hadid and Norman Foster have Chelsea projects either on the way or completed. They include more than 11 developments in the planning stages or built recently, according to property-tracking company CityRealty.

The neighbourhood, which covers less than a square mile, has one of the densest concentrations of new architecture and development in the US.

“The sheer number of new projects is noteworthy but the boldness of the architecture makes this era of construction unique,” says architect Soo K Chan, principal of SCDA Architects of Singapore. He is behind Soori High Line, a 31-unit condominium where some apartments include saltwater pools. The development is almost finished and a five-bedroom penthouse with 20ft-high ceilings is priced at \$22.5m.

These new properties differ in style and scope but most target the upper end of the market.



Apartment in Soori High Line, where a penthouse is priced \$22.5m

In the last three months of 2016, the median price paid for a home in Chelsea was \$1.65m, up from \$1.56m in the same period in 2015, according to appraiser Miller Samuel. During this period, a penthouse inside Walker Tower fetched \$45m. The art deco condo conversion has a 7,000 sq ft penthouse on sale for \$42m through Compass.

Rising prices in Chelsea contrast with falling prices in Manhattan overall. In the first quarter of 2017, the median price for all apartments in Manhattan fell 3.3 per cent year on year, according to Douglas Elliman.

“Art galleries are only part of Chelsea’s appeal,” says Julie Pham, a broker with Corcoran Real Estate. “The variety of new architecture is also a big draw for many buyers.”



Corcoran is marketing a seven-bedroom condo in Chelsea for \$17.8m. The home is on the 19th floor of 100 Eleventh Ave, a tower designed by Nouvel, a winner of the Pritzker Prize. It has 360-degree views of Manhattan.

After decades of neglect, Chelsea began emerging as a hub for contemporary art in the 1990s when rising rents in Soho, Lower Manhattan, started pricing out gallery owners. Today, names such as Larry Gagosian and Matthew Marks help anchor the neighbourhood. In 2015, the Whitney Museum of American Art relocated to new premises with almost 50,000 sq ft of gallery space on Gansevoort Street, just south of Chelsea.

Yet rising commercial rents and residential values are now pricing out some galleries in Chelsea (<https://www.ft.com/content/d4985936-fcd7-11e6-8d8e-a5e3738f9ae4>), and several smaller ones have relocated to less expensive areas downtown.

“We’ve seen years of rising prices in Chelsea thanks to a lot of new construction,” says Robert Dankner, president of Prime Manhattan Residential. “That’s great for property owners but tougher for smaller commercial galleries and some homebuyers.”



West 14th Street, Chelsea © Maremagnum/Getty Images

While the arts scene in Chelsea has helped fuel its rise, the High Line has added to the neighbourhood's appeal, says Andrew Azoulay, a broker with Douglas Elliman. The former elevated rail track was turned into a public park in 2009 and attracts almost 5m visitors a year.

"Chelsea was already a magnet for real estate investment, but the High Line pushed that much higher," says Azoulay. "Homebuyers see value in having this kind of public space in the neighbourhood."