



POSTSCRIPT Real Estate

The fall of the

Thirty years ago, Tom Wolfe identified the poshest residences in Manhattan. But a new wave of luxury condos have put them in their place

‘PEOPLE talk about whether somebody lives in a good building or not,” says Muffie Potter Aston, a philanthropist and longtime resident of 765 Park Ave. (a classic good building). “It’s sort of a New York thing.”

In a June 1985 essay for Esquire’s Soul of America issue, Tom Wolfe spelled out just which residential buildings in Manhattan were considered “good” by the sort of people whose opinions mattered. “These so-called Good Buildings are 42 cooperative apartment houses built more than half a century ago. Thirty-seven of them are located in a small wedge of Manhattan’s Upper East Side known as the Triangle. The rest are along the East River,” Wolfe wrote.

They were characterized by gargantuan prewar floor plans, high ceilings, ample servants’ quarters, gracious entrance galleries, general formality and bourgeois respectability. Not a single building on the West Side made the cut. Even the Dakota, the most splendid-looking apartment building in New York, fell short: because it admitted “popular music celebrities” (John Lennon) and because the West Side was still rather grimy off the park. Most importantly: These buildings — all co-ops — were in demand.

“The prices of apartments in the Good Buildings have gone up in a trajectory that seems to have no ceiling,” Wolfe wrote. “They have quadrupled since 1980. In 1980 apartments at 550 Park Ave. ... were for sale for \$750,000. Today an apartment on the 14 floor at 550 Park Ave. is on the market for \$4 million and will fetch close to that. ... Forty-two apartment buildings is a large number, and they contain about 500 apartments in all. But at any given moment no more than 25 are likely to be on the market — and our panting mob is so huge!”

More than 30 years later, many of the old-guard Good Buildings have seen better days. After floundering on the market since 2012, a spacious two-bedroom apartment seeking \$2.3 million at 550 Park failed to find a buyer, despite a 36 percent price decrease. Luxury co-ops, once the most stable block of inventory in New York, have seen their prices fall 20 percent from 2014 to 2018, according to top real-estate appraiser Jonathan Miller.

At 740 Park, ceaseless publicity, a fire and a crumbling facade have driven choosy oligarchs elsewhere. Susan Gutfreund, the owner of the best apartment in 834 Fifth (widely considered Fifth Avenue’s foremost), can’t find a buyer for her 22-room, 12,000-square-foot duplex. Its asking price is down from \$120 million to \$68 million. River House (which famously gave both Richard



CHRISTOPHER CAMERON

Nixon and Gloria Vanderbilt the finger) was reduced to allowing actress Uma Thurman to purchase a 12-room spread at an \$8.5 million discount.

The old Good Buildings have felt the pinch from a bevy of new luxury condos with tasteful design elements (such as limestone facades instead of glass) and vastly superior amenities. What’s more, condos don’t have intrusive co-op boards, which dissect an applicant’s financials to an embarrassing degree. Now the trader

who wants to live in his business rival’s building doesn’t have to pull his pants down to get in.

Today, Robert A.M. Stern is the fashionable designer of the new Good Building. His 15 Central Park West — boasting new-classical limestone structures that match the grandeur (and occasionally beauty) of its elders — was the first one to arrive 10 years ago. Further buildings by Stern, including 15 Central Park West, 30 Park Place, 70 Vestry, 20 East End Ave. and, when they are completed, 220 Central Park South and 520 Park Ave. all make the cut. Walker Tower, with 18-inch-thick walls, 14-foot ceilings, stunning Art Deco architecture and important residents (if you don’t mind living with a few celebs) is a new Good Building. The 1,428-foot Steinway Tower at 111 W. 57th St. — with generous ceiling heights and mammoth square footage — is poised to become the newest Good Building when it opens in 2019.

Today’s most lauded properties no longer need to exist within Wolfe’s triangle, nor need they be prewar. In fact, a Good Building could conceivably rise in almost any Manhattan neighborhood today. An address at the right building in Tribeca, Greenwich Village or on 57th Street brings just as much cachet as a mansion in 834 Fifth, 740 Park or River House.

(Proof that money doesn’t buy taste: One57, which set the New York apartment sale record at \$100.5 million, is not a good building. It’s poorly designed and too bling-bling, the cognoscenti say.)

Demand for the new Good Buildings show their worth: The median sale price of a luxury co-op in Manhattan is just \$3.6 million, while new-development condo sales have soared in the third quarter of this year to a median price of \$7.1 million. Hedge-fund billionaire Ken Griffin reportedly dropped a record-smashing \$200 million condo at 220 Central Park South — well beyond double the \$77.5 million billionaire Leo Blavatnik paid for his home at 834 Fifth in 2015, still the record for a co-op.

“The blue-blood co-ops on Central Park are the weakest subset of the market for the first time,” Miller said. “And the co-op boards are slow to respond. They are actually doing a disservice to their shareholders because they refuse to recognize the new competition. New development is the new prewar.”



Robert Miller

740 Park Ave.

It’s been called “the World’s Richest Apartment Building,” with residents including billionaire David Koch, Blackstone Group CEO Stephen Schwarzman, hedge-fund billionaire Israel Englander and high-fashion designer Vera Wang. But the childhood home of Jacqueline Kennedy Onassis (now owned by banking



Vera Wang

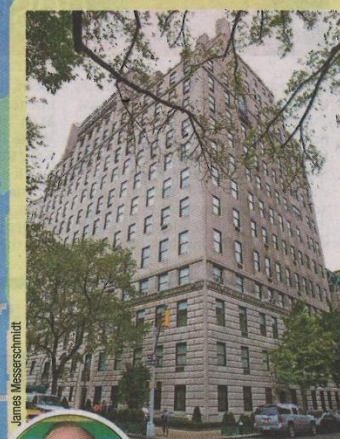


J. Ezra Merkin

heir Jacob Safra) has faced a torrent of scandal and publicity of late.

During the financial crisis, Occupy Wall Street protested outside the tower. In 2011, real-estate mogul Kent Swig nearly lost his 16-room apartment to foreclosure during his much publicized divorce. More recently, a sauna fire in the apartment of alleged Madoff middleman J. Ezra Merkin damaged a number of units. Around the same time, a crumbling facade caused the limestone tower to be shrouded in scaffolding.

In February, after five years going on and off the market, investment banker Peter Huang pulled his \$22 million listing. Former CEO of Merrill Lynch John Thain is currently asking \$39.5 million for his unit.



James Messersmith

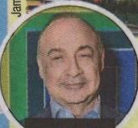
834 Fifth Ave.

After being rejected from 740 Park, Ukrainian billionaire Leo Blavatnik dropped a record \$77.5 million on jets owner (and current ambassador to the UK) Woody Johnson’s former spread at 834 Fifth. But the largest and best unit in the building

— Susan Gutfreund’s 22-room spread — just can’t seem to find a buyer. She’s slashed her asking price from \$120 million to \$68 million.



Susan Gutfreund



Leo Blavatnik

In June, former General Electric CEO Jack Welch picked up a two-bedroom for \$18.5 million. Other tony residents include Bing Crosby’s banker son Harry Crosby, banking billionaire Charles Schwab and art-collecting heiress Laurie Tisch. Automaker John DeLorean made an unceremonious exit from the building in 1992 after he was arrested for allegedly attempting to flip 220 pounds of cocaine.

'good building'

Tom Wolfe's 42 "Good Buildings"

1 Beekman Place; 10 Gracie Square; 1 and 120 East End Avenue; 1 Sutton Place South; 25 Sutton Place North; 550, 555, 635, 640, 720, 730, 740, 765-775, 770, 778 and 812 Park Avenue; 810, 820, 825, 834, 953, 960, 998, 1020, 1030 and 1040 Fifth Avenue; 43 East 52nd Street (aka River House); 4 and 131-135 East 66th Street; 2 East 67th Street; 2 East 70th Street; 4, 19, 36, 117 and 160 East 72nd Street; 50 East 77th Street; 21, 39, 66 and 79 East 79th Street

1 Sutton Place South

Designed by Rosario Candela and Cross and Cross for the Phipps family in 1926, 1 Sutton Place was instantly a prestige address. Far from the hubbub of Fifth Avenue at the conclusion of 57th Street on the East River, the 45-unit tower offered owners a coveted slice of private greenery in the form of a secluded garden cantilevered over the FDR Highway.

However, that rare amenity recently attracted piles of unwanted press after the building fought the city for the park having failed to renew its lease. In 2011, the co-op lost the park, which is now public.

Lately, a harrowing 20-minute trek to Central Park also has proved an obstacle to sales. Broker Vicky Baron, who has sold in Sutton Place, says it "might as well be Guam." That might explain in part why nobody at the building is currently trying to sell — most recent sales have been from the estates of late owners. However, last year hotelier and philanthropist Ira Drukier dropped \$16.5 million on socialite Jo Hallingby's massive four-bedroom.

Former residents include the late designer Bill Blass and actress Sigourney Weaver.



Sigourney Weaver



Bill Blass

River House

River House, an extravagant Art Deco retreat along the East River at 52nd Street, once boasted a board so snobby it was able to thumb its nose at **Diane Keaton**, Gloria Vanderbilt (who sued the board after she was rejected) and Richard Nixon (although it gave the OK to Henry Kissinger, who still calls the building home).

Other notable residents include billionaire (and current Secretary of Commerce) Wilbur Ross Jr., Sir Evelyn de Rothschild and his wife, Lynn Forester, and Boston Bruins owner Jeremy Jacobs.

Dwindling share values and its isolated location have spurred the building (which is allegedly so strict that residents are forbidden from publishing its name in real-estate advertisements) to relax its rules. In 2013, **Uma Thurman** was given the green light to close on novelist Barbara Taylor Bradford's 13-room spread for \$10 million (an \$8.5 million discount). That same year, the building tried to sell off its sprawling \$62,000-square-foot clubhouse for \$130 million. After languishing on the market, the listing was pulled.

There are currently six units on the market at the building ranging in price from \$3.9 to \$14 million. Four have seen substantial price cuts.



Uma Thurman

In the 1980s, writer Tom Wolfe shone a light on the city's toniest addresses, most inside an area called the Triangle (above) on the Upper East Side.

