

BIG DEAL

WILLIAM NEUMAN

# Studios Breaking 7-Figure Barrier

A FRENZIED real estate market has set a lot of records — like the \$45 million condo at the Time Warner Center. But are New Yorkers ready for the \$1 million studio apartment?

While large, undivided loft apartments have long commanded high prices, perhaps the first nonloft studios to crash the seven-figure barrier are in the newest Richard Meier-designed tower, which is under construction at 165 Charles Street, at the corner of West Street.

Of the three studios being marketed in the tower, one has gone into contract for \$1.325 million and another for \$1.25 million, said James Lansill, the senior managing director of the Sunshine Group, the marketing and sales agent. The developer lists the studios at 682 to 703 square feet.

Mr. Lansill said another buyer is negotiating for the third studio. The buyer, whom he declined to identify, is also in talks, he said, to purchase an entire floor higher up in the 17-story building and envisions the studio as an apartment for a full-time chef.

That, according to Mr. Lansill, was the original idea for including a small number of studios in the 31-unit luxury building, where the duplex penthouse is still for sale at \$18.75 million.

He said the developers thought of the studios as appealing to buyers who wanted an extra unit for a maid or other domestic help, much like the staff apartments offered to buyers in larger high-end condominiums.

One of the Charles Street studios already under contract went to someone who is buying elsewhere in the building, Mr. Lansill said, and the other is signed to a fan of Mr. Meier's architecture who will use it as a pied-à-terre.

"What's interesting is they are still a relative value compared to other things in the building, from a square foot perspective," he said. The studios that have found buyers so far have gone for \$1,750 to \$1,900 a square foot. That's below the developer's overall \$2,500-a-square-foot pricing.

"We've been approached by a lot of people to buy them just because they want a piece of a Richard Meier building," Mr. Lansill said. The building is expected to be completed by May.

The studios are on the second and third floors and come with Meier-designed interiors similar to the larger apartments, including wenge wood floors and high-end appliances.

They are in the back of the building, however, and lack the broad Hudson River frontage of the larger units. The studios contain a kitchen, separated by an island from a main room that is approximately 18 feet square.

Most ultra-high-end studios are found in new condominium buildings. One with an older pedigree recently went into contract in the former mansion of Joseph Pulitzer, at 11 East 73rd Street, which is now a co-op apartment building, according to Paulette Demers, a broker with the Corcoran Group.

The 850-square-foot apartment was on the market with an asking price of \$965,000, although Ms. Demers declined to specify the agreed upon sale price, because the transaction has not yet been completed.

The street-level studio in the 1903 Stanford White creation has 15-foot ceilings, a marble fireplace and enough filigreed detail for an entire June of wedding cakes.

For all that, it's still a studio, with a main room that is 24 feet square, and a small kitchen and bathroom.

In Midtown Manhattan, eight studios are being built into the 45-story Park Avenue Place, going up at 60 East 55th Street, between Park and Madison Avenues.

At 446 square feet, the studios sell for \$675,000 to \$825,000, with the price rising with the floor. Their square-foot cost is on a par with the Charles Street studios.

"For people who come into town and want to own a piece of Manhattan and not necessarily purchase a three-bedroom, this is perfect for them," said Carolyn Sebba, director of sales for the project, which is scheduled to open next spring. It is being built by the developers RFR/Davis.

Continued on Page 2



Chris Ramirez for The New York Times

# Moving Out, Seeking the Next SoHo

## Beacon

Alison Moritsugu, above, who used to have a work space in Williamsburg, Brooklyn, and before that in Dumbo, has made the move to Beacon, where she found studio space and bought a house with her husband. "We wanted to get out before we were pushed out and desperate."

By JIM RENDON

ON a recent Sunday afternoon, Alison Moritsugu and her husband, Stefan Petrik, leaned against their Honda Civic, talking in the driveway in front of their brick-ranch house. The open garage door revealed a tarp-covered motorcycle and a woodworking shop — a typical weekend scene in cul-de-sac New York.

But they don't conform with most people's stereotypes of ranch-house life. Ms. Moritsugu, short and wiry, wore arty oversized black-framed glasses. Coiled around Mr. Petrik's shoulder was a tattoo of a multicolored dragon by Don Ed Hardy, a well-known tattoo artist from San Francisco. Inside, the couple has pulled up the mauve shag carpet and torn down the kitschy wallpaper.

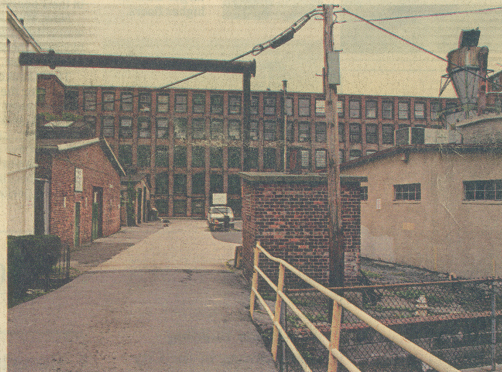
Ms. Moritsugu, a 42-year-old painter, and Mr. Petrik, a 47-year-old custom framer whose clients have included celebrities like David Byrne and the artist David Wojnarowicz, moved to the brick house in Beacon, N.Y., a town on the Hudson River about 60 miles north of the city, at the end of 2000 to escape the squeeze that has intensified for artists in New York as real estate prices have risen throughout the city.

High rents, scant studio space and the financial grind of making money in one of the most expensive cities in the world began pushing artists out of Manhattan a decade ago. Now, as other boroughs also rise in price, more artists are drawn to outlying communities like Beacon, Yonkers and Bridgeport, Conn.

"We had no choice; we couldn't afford to rent and have studio space," Ms. Moritsugu said. "We wanted to get out before we were pushed out and desperate."

Ms. Moritsugu, who lived in New York for 12 years, had a work space in Williamsburg, Brooklyn, for \$700 a month, and before that, a studio in Dumbo. The couple lived in nearby Greenpoint in a \$1,300-a-month three-bedroom apartment, but they were on a month-to-month lease and chroni-

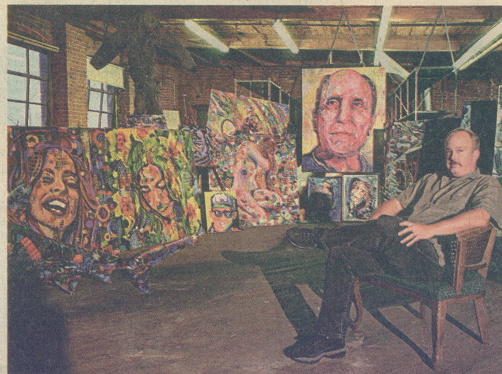
Continued on Page 9



John Marshall Mantel for the New York Times, above; Chris Ramirez for The New York Times, right

### RECLAIMING OLD SPACE

Artists are moving into space in old buildings in Yonkers, like the Nepperhan Business Center, above. Sara Pasti, right, who lived in Dumbo for 15 years, bought a house in Beacon so she would no longer have to deal with landlords.



Thomas McDonald for The New York Times



## Bridgeport

Peter Konsterle, left, could never get adequate studio space in New York. Now he pays less than \$500 a month for 2,000 square feet in Bridgeport, Conn., an old industrial city on Long Island Sound.

# Moving Out in Search Of the Next SoHo

Continued From Page 1

cally worried that their landlords might sell the building, forcing them out into an unforgiving rental market. Finally, only because of a fluke, they looked elsewhere.

Two weeks after a motorcycle trip out to Beacon with a friend, and a quick search of the available properties for sale, the couple found themselves in a diner with a real estate agent and a \$7,000 check.

That night, it finally sank in. "I woke up in a cold sweat," Ms. Moritsugu said. "I thought we were crazy." They were about to become the proud owners of a \$150,000 ranch house built in the 1960's.

The move, however, has worked well for them. They have found a community of artists in Beacon, and so they feel at home, and yet they remain connected to the city, which is just over an hour away on the train. Ms. Moritsugu commutes to the city for work as a graphic designer two days a week. She is represented by Littlejohn Contemporary, a gallery in New York, and shows in Beacon. And, oddly enough, she is closer to the inspiration for her art.

From her studio overlooking a scrap metal yard on Wythe Avenue in Williamsburg, Ms. Moritsugu was painting images of the Hudson River Valley on the cut ends of logs. Now her studio in the old Beacon High School, which has been turned into artist studios and renamed Bulldog Studios, has a wall of windows looking out on Mount Beacon — the real thing.

The artists fleeing New York are developing pockets of creative wellspring in other communities as well. Just over an hour and a half north and east of New York City, Bridgeport has become a destination for artists. The Black Rock neighborhood along the water has factory and warehouse buildings that artists have begun to use because they have large, inexpensive studio spaces. Artspace Projects of Minneapolis, a developer of affordable housing for artists, is finishing a 62-unit project in Bridgeport in the old Read's Department Store building, now renamed the Sterling Market Lofts. Spaces in the newly finished building range from 1,100-square-foot live-work spaces for \$317 a month to 1,900-square-foot three-bedroom lofts for \$960 a month.

Peter Konsterlie, a 41-year-old painter and sculptor originally from Minnesota, moved to Bridgeport from Long Island City, Queens, three years ago. He had only been in New York for a year and was unsuccessful at finding adequate studio space. Now he pays less than \$500 a month for 2,000 square feet of work space in one of Bridgeport's large industrial buildings.

"I could not even fathom affording this in the city," Mr. Konsterlie said. Not far from his studio, he lives in a two-bedroom apartment six blocks from Long Island Sound, for \$1,000 a month. He goes to New York often, sometimes for classes at Pratt Institute. But he doesn't see Bridgeport as a bedroom community for artists.

"There is a lot bubbling up here; there are four or five arts organizations," Mr. Konsterlie said. "There is a resurgence of culture, with artists taking over factory buildings."

David Ryan, 40, a writer, and his wife, Susan Breen, 35, a painter, bought a 200-year-old home in Bridgeport a year and half ago for \$350,000. In New York, the couple had a small apartment in the Yorkville neighborhood of the Upper East Side. Ms. Breen painted in a large studio space she had for years on West 37th Street. But when the couple decided they wanted to buy an apartment, they were in for a shock.

"When we started looking around, we realized the amount of money we would

have to spend in New York City to buy was astronomical," Ms. Breen said. "It was un-touchable for us."

Ms. Breen's father, who lives in Fairfield, suggested trying out Bridgeport. Ten days later they signed a contract for a house.

Having a morning cigarette in the yard, Mr. Ryan says he enjoys the sight of birds and trees. "At a certain point, I feel like I'm not living my life anymore, that I'm in some sort of special place that I don't really deserve to be in," he said.

Bridgeport isn't the only unlikely place with a touch of nature that is luring artists out of the city. Rande Barke, a 50-year-old painter, lived in a loft on North 11th Street in Williamsburg for eight years before deciding to move. "I was tired of the lack of variety in the neighborhood," he said. "It was like living on an art school campus."

In 2002, Mr. Barke looked at Peekskill but found it to be depressing. Queens, he said, was ugly. Ultimately he settled on Yonkers. On the Metro-North train, it's only 24 minutes to Grand Central Terminal.

Mr. Barke bought a two-bedroom apartment in a seven-story, 80-unit co-op on the water in the Greystone section of Yonkers two years ago for \$93,000. He has a second bedroom to use as work space. And, compared with Brooklyn, it's downright bucolic. "Here, I have deer, raccoons and skunk outside," Mr. Barke said. "Through every window is a river view."

Other artists are finding that Yonkers is close enough to rent studio space while they still live in the city. Regina Chiu, a painter who lives in Manhattan, grew weary of painting at home and began to look for studio space. But despite looking in Brooklyn, Queens and even the South Bronx, she could not find an affordable space. When she looked north to Yonkers, she found that she could get much better space for less money in the Nepperhan Business Center on Nepperhan Street in southern Yonkers, a multi-story building that has several artist studios.

Yonkers has diverse property, ranging from million-dollar homes in the northern part of the city to inexpensive apartments at the southern end. Eric Stein, a sales associate at Prudential Real Estate in Yonkers, said that some home prices have risen as much as 40 percent in the last year and that many homes are selling above the asking prices.

Mr. Barke said the interest in Yonkers is quite visible. On weekends, he said, he sees people wandering around the neighborhood carrying printouts from Craigslist, the on-line community bulletin board known for its rental and sale listings, a sure sign that the Manhattanites are on their way.

"I feel like things are going to change dramatically in the next couple of years," Mr. Barke said.

Most areas that draw artists have some element that is crucial to them — large cheap spaces, or galleries. Beacon has been a good fit for many artists in part because of the opening last year of Dia: Beacon, a 300,000-square-foot museum of contempo-



Above, Thomas McDonald for The New York Times; below left, John Marshall Mantei for The New York Times; below right, Chris Ramirez for The New York Times

LEFT

The Black Rock Art Center, which is being re-modeled in a former bank building in Bridgeport, Conn., will be a performance space, education center and hub for the local art scene.

BELOW LEFT

Regina Chiu, a painter, found she could get better space at a lower rent in the Nepperhan Business Center in Yonkers than in the New York boroughs outside Manhattan.

BELOW RIGHT

Carl Van Brunt, in his gallery on Main Street in Beacon, N.Y. The work on display was painted by Kathy Feighery.



Near Dia: Beacon, stores and restaurants are opening. Square Feet, Page 13.



space in the Bulldog Studios and said that he had sold more work there than anywhere else. Catherine Welshman, 36, a painter who moved to Beacon from Williamsburg, said she was happy with the exposure that she received at local shows and rarely even gets into the city anymore. Ms. Moritsugu said she has had more studio visits in Beacon than she ever had in Williamsburg.

"Because of Dia, it's easier for people to come see work here than it was for them to cross the river from Manhattan and find my studio in Dumbo or Williamsburg," Ms. Moritsugu said.

The only thing lacking is the range of food that New York offered. Ms. Breen has wistful memories of Manhattan's inexpensive ethnic restaurants. "I really miss great Indian food," she said. "We used to order in twice a week." She is urging other local artists to write reviews for one another of restaurants in the Beacon area, to pool their knowledge.

While the rising property values that tend to follow artistic immigration can be great for those who own, some who have left the city worry about continuing the cycles of gentrification that pushed them out of previous neighborhoods.

After 15 years in a Dumbo loft, Sara Pasti, 50, a painter and arts consultant, got tired of battling landlords over heat and repairs, and left for Seattle. Six years later she wanted to return to the East Coast, but also wanted to own a home.

Some friends told Ms. Pasti about Beacon and she quickly found a three-bedroom Victorian for \$200,000. "The mortgage on my house is half what my friends in New York pay for rent," she said.

Ms. Pasti has been chased out of enough neighborhoods to know the effect artists can have on property values. In Beacon, she has protection because she was able to buy.

"Artists who have lived in enough neighborhoods soon realize that if you don't own anything you will eventually be forced out,"

## Still a Good Deal

ALTHOUGH some artists leave New York looking for more space for less money, housing prices elsewhere are rising as well.

In Beacon, N.Y., prices increased by as much as 20 percent over the last year, according to Anita Drake of Extr Drake Realty in Beacon. In Bridgeport, Conn., houses that sold for \$100,000 five years ago are selling for three times that now, according to Frank DeAngelis, the manager of William Ravets Real Estate in Stratford.

Nonetheless, by New York City standards, these towns are bargains.

In Beacon, the median house price in the first six months of 2004 was \$276,500, according to data compiled from the Multiple Listing Service; in Bridgeport's Black Rock neighborhood, between January and September it was \$303,850; and in southern Yonkers, which includes the Greystone area, the median house price in July and August was \$244,000. JIM RENDON

Ms. Pasti said. "Equity is very important." Still, rising property values inherently change places. Ms. Moritsugu, who said she does not think she could afford to buy in Beacon at today's prices, worries about how the influx of artists and the increasing cost of living will change the town.

"I think it is really important to maintain a mix of local people and newcomers," Ms. Moritsugu said. "I think it would be a shame if the local people that have been here forever have to leave because the town changes too much."