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Gramercy Park key is a carrot

For buyers, condo developer dangles access to exclusive green space **∢** We Heard Issue / By <u>Patrick Egan</u>

For a new Gramercy condo development, one amenity is key. Gramercy19, a 16-unit building at East 19th Street and Third Avenue, offers access to Gramercy Park, the only private park in Manhattan, through a deal with the historic Players club. The deal is likely boosting apartment sales, although the park leadership isn't enthusiastic about it.



A year and a half ago, Asher Dardashtian, Gramercy19's developer, approached the club, which retains the arts emphasis that inspired Mark Twain and other 19th-century luminaries to found it. "I can say it wasn't easy" to sell the idea, said Dardashtian, who runs A & R Realty Group. In the end, he got his new residents one-year memberships. The developer will pay the first year's annual dues, which run \$1,500, after which each Gramercy19 owner can renew.





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"It helps increase our membership, which we need," said John Martello, the club's executive director. "And it helps us create a strong tie to the community."

Gramercy19 residents will undergo a less formal membership vetting, what Martello called a "social meeting." Once in, newcomers will vie with 725 current members for two park keys. Martello said that key access isn't much of a problem, but demand is steady during the warmer months.

Most of the 39 buildings fronting the park get two keys; some, like the Gramercy Hotel, have more because they occupy multiple lots. Additionally, each separate household in a park-facing building has the option of renting one key for \$350 per year.

The park's self-dubbed "mayor," longtime park trustee Arlene Harrison, wasn't initially thrilled with Gramercy19's arrangement, saying developers had previously used Gramercy Park as a lure when in fact they had no right to a key.

The Gramercy19 arrangement is different. "It all is worrisome to us, and yet there's nothing we can do about it," said Harrison. But she doesn't anticipate any serious impact because only six people may enter the park using one key.

Park proximity always adds value in New York real estate, and Gramercy Park is a prime example. Properties on the park "always retain their value," said Rajan Khanna, a vice president specializing in Gramercy Park for Brown Harris Stevens. "Even with the worst recession, we saw a difference in the 5 percent to 8 percent range between the peak and the bottom." Khanna said homes on the park enjoy a 10 to 15 percent premium over similar stock just blocks away.

While Gramercy19 isn't contiguous to the park, its access appears to be paying off. StreetEasy shows sales prices between \$1,185 and \$1,880 per foot. Seven units have gone into contract, prompting Dardashtian to bump prices 10 percent. He said everyone's been impressed by the possibility of a key. "They love it."

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