

## Midtown's J.P. Morgan Sales Bump



By Kim Velsey, Curbed's real-estate reporter



When workers started [excavation work](#) for the [Monogram](#), a 35-story condo tower on East 47th Street, at the end of 2020, midtown was largely populated by delivery guys on e-bikes, and it wasn't clear if anyone would ever return to the office — or to the neighborhood — let alone pay millions for an efficiently sized luxury condo between Lexington and Third. But Jordan Shea, a Douglas Elliman agent and Monogram's sales director, says that since sales started in April, "it's been gangbusters." That, in large part, is thanks to the strict back-to-office directives of the financial and banking giants concentrated there and specifically, says Shea, at J.P. Morgan, whose supersize office tower's opening next year coincides with the Monogram's completion late this one. "Where we are located, the philosophy is that work is best done in the office."



Monogram, a condo on E. 47th Street, has been seeing a sales surge that sales director Jordan Shea attributes to closings coinciding with the opening of the new J.P. Morgan tower a few blocks away. Photo: Monogram NY

It's a familiar crowd shopping around: Grand Central commuters hunting for pieds-à-terre, parents looking for one-bedrooms for their finance-intern kids, junior analysts pointing out their offices from the residents' club on the 35th floor. "We get a nice lunch-hour rush on weekdays," says Shea.

While workers have been trickling back into the office these past few years, brokers say that the big office bets still under construction seem to be spurring the next wave of real-estate buys: As Shea mentioned, J.P. Morgan, one of the staunchest supporters of working from the office, is finishing [270 Park Avenue](#), a 2.5-million-square-foot Norman Foster–designed behemoth expected to hold upwards of [10,000 employees](#) when it opens next year. Its old headquarters across the street has less than half that — [3,500 workers](#). More blue-chip towers (and, presumably, wealthy buyers) are on the horizon, including the 62-story [350 Park Avenue](#), the new Vornado and Rudin tower that Ken Griffin's Citadel is expected to take nearly half of, and [175 Park Avenue](#), an RXR/TF Cornerstone project slated to be the tallest office building in New York. Plus, there's One Vanderbilt, which opened a few years ago with tenants including TD Securities, Oak Hill Capital, and the Carlyle Group. Brokers are eagerly anticipating the corresponding sales bump at nearby residential projects. Some say that they're already seeing it.

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"It's definitely helping with traffic," says Donna Puzio, a senior sales director at Corcoran Sunshine Marketing Group who's overseeing sales at [520 Fifth Avenue](#), a mixed-use tower designed by Kohn Pedersen Fox. The units there, with curved Charles & Co. interiors of white oak and green marble, are large and luxurious, but primarily one- and two-beds, starting around \$1.75 million, and the building is now 60 percent sold after just a few months.



The apartments at 520 Fifth, close to Bryant Park, are mostly spacious one- and two-bedrooms, with a few larger units. Photo: Alden Studios

Kathryn Neugold, the sales director at another midtown condo, 200 East 59th Street, a 2018 Harry Macklowe project taken over by Centurion Real Estate Partners, says that sales, plodding along these last few years, really picked up in the spring. About 25 percent of showings at the building lately have been parents buying for kids starting jobs nearby, she says, and that's led to a flurry of one-bedroom sales (they run around \$1.7 million). When I visited the condo recently, she was walking two older women and a fashionably dressed 20-something to the door. The 20-something already lived in the neighborhood, Neugold explained, but now that her younger brother, a recent college grad, had landed a finance job in midtown, the family wanted to upgrade to a two-bedroom for the siblings to share. She also recently showed units to a Bloomberg employee whose mother wanted her to have a short commute, and to a family shopping for their daughter, a new hire at Bergdorf Goodman. The daughter was agnostic about being able to walk to work, "but her parents were very favorable," Neugold says. Children often push for apartments downtown, close to friends and nightlife, but parents like to imagine their children well rested and walking to and from work. And they frequently prevail. They're paying, after all.



Sales of one-bedrooms at 200 E. 59th picked up this spring, with parents shopping for children starting jobs nearby. Photo: Joshua McHugh

This is a tonic for midtown’s residential market, which, during the first few years of the pandemic, struggled with a dearth of office workers and foreign buyers, long a pillar of that market. It still has the largest concentration of high-end unsold new developments in Manhattan, as a recent [Wall Street Journal article](#) reported, much of it the trophy apartments gathering dust on 57th Street. The rest of the midtown market is not nearly so glutted, although “supply is on the bloated side,” says Jonathan Miller of appraisal firm Miller Samuel. “Inventory hasn’t really changed between year over year — it’s down from 684 units to 682 units — but sales have been relatively brisk.” By comparison, inventory dropped on the Upper East and Upper West Sides, neighborhoods that are much more in demand. But now, even the apartments stagnating on Billionaires’ Row are finally moving, especially the less stratospherically priced ones that share a buyer pool with some of the new projects coming to market ten blocks south. “There’s a lot of product, but when they adjust prices, it all goes,” says Donna Olshan, a broker who tracks the Manhattan luxury market. The Selene, one of the dinosaurs of 57th Street (it launched sales in 2016), where one-bedrooms start around \$2 million, had as of last fall only sold [59 percent](#) of its 94 units. It’s now down to its last 12 apartments.

The stuff that’s selling well right now, brokers say, are apartments that are nice but not too big or showy — for example, a well-appointed two-bedroom in the \$2 million range, like the ones at Monogram, which measure under 1,000 square feet and have fluted marble bathroom walls, views of the Chrysler Building, and a modestly sized second bedroom for parents when they visit. Or a spacious \$2.5 million one-bedroom at 520 Fifth Avenue, where several recent buyers have been finance guys with houses in the Hamptons tired of wasting money on hotel rooms when they work late. There are international buyers, too — contrary to the rumors, they didn’t all vanish — but it’s not so much oligarchs buying safe-deposit boxes in the sky as parents balking at rental prices who want an investment and the same features that American parents are looking for: their kids coming home to a doorman, an extra bedroom so they can visit. “We really view this as the perfect play for pied-à-terre buyers, people who want to walk to work,” says Josh Rabina, CEO of Rabina, the developer of 520 Fifth. “We have large one-bedrooms, two-bedrooms, a handful of larger units. This is not the four-bedroom Upper West Side buyer.”

Recently, Olshan sold a midtown apartment to a couple — the husband, in finance, had been called back to the office four days a week. He wasn't specifically looking in midtown, she adds — not that many people really are — but he just happened to find something he liked there at a better price than what they could get elsewhere. Sure, midtown, a neighborhood of businesslike convenience, lacks the allure of many other parts of New York. But businesslike convenience has its own kind of allure, and when it comes to the luxury market, the neighborhood increasingly matters less than the buildings themselves. Plus, there are plenty of perks besides not having to schlep to work: Brokers are quick to point out the luxury shopping on Fifth Avenue, a slew of members-only clubs, including some, like Centurion, in high-end office buildings (520 Fifth will also have one, Moss), a revived Rockefeller Center. And they are optimistic that buyers (or their parents) will see the appeal. When I asked Neugold if she thought the J.P. Morgan tower opening would sell out the rest of 200 East 59th's units, she leaned forward and slapped her hands on the book-matched Calacatta marble countertop of the model unit where we were standing. "My [triple-floor penthouse](#) buyer will be from there," she told me. "I'm manifesting it now."