

The New York Times

ON THE WEB

WHERE WE LIVE; A Suburban Switch: The Condo's the Thing

Published: March 19, 2006

IN mid-November, Jin Kim and May Yee Yeoung, single professional women who have been roommates for two years, pooled their money and bought their first home, a luxurious two-bedroom condo just off Interstate 95 in Fairfield, 60 miles north of the rental apartment in TriBeCa where they used to live.

Two months later, Walter and Lois F. Killough, who have been married 26 years and have two grown children, bought a two-bedroom condo in West New York, N.J., just across the Hudson River from Midtown Manhattan. They are slowly moving out of their home in suburban Mahwah, N.J., so that Mr. Killough can have a shorter commute to work in New York City and Mrs. Killough can be closer to the theaters she loves to attend.

"This feels almost like a vacation home," Mrs. Killough, a seventh-grade English teacher, said of her new home at the Hudson Club in Port Imperial, a 200-acre waterfront development that spans five New Jersey cities and towns.

"There's a pool that's right on the edge of the river," said Mr. Killough, chief operating officer of Delia's, a retailer of clothing for teenagers. "There's a whole health club. I can be back home from work in 15 minutes."

Although Fairfield and the Hudson waterfront of New Jersey present two distinctly different streetscapes, both sets of homeowners are part of a trend that has the potential to draw a new wave of suburban pioneers to some cities and other densely populated communities.

For decades, ornate homes with lush yards and multicar garages have been staples of suburban life and the objects of desire of countless families who yearned for better schools, safer streets and greener environs far from the city. But as the scarcity of vacant land drove prices to stratospheric highs and many outlying communities began to impose restrictions to curb sprawl, builders trained their eyes on urban neighborhoods.

There they can still buy old or abandoned property at market value, tear it down and replace it with condos, which can be as fancy as a McMansion and as spacious as a single-family home. Though the properties at the high end are not cheap, they typically cost less than a house of comparable luxury and are easier to maintain.

"People that used to be able to afford a 1,200- or 1,500-square-foot home in the suburbs are still moving to the suburbs, but buying a 1,200- or 1,500-square-foot condo instead," said Tim Cashel, a division manager at Baker Residential, a developer in Pleasantville, N.Y., that is building two condominium communities in Bayonne, N.J., a long-neglected city on the Hudson River waterfront.

"Condos have become the new starter home for a lot of these folks," Mr. Cashel said. "But because some of these condos are so posh and so close to the city, they have also become a retirement home for many other people who were already living in the suburbs, but were looking to trade their mansions for a smaller place."

Developers, spotting an opportunity, have been investing in condo construction at a feverish pace. According to the Crittenden Builders Report, a trade publication, the number of new multifamily condo and town house projects increased by about 50 percent nationwide between 2004 and last year.

Much of the new construction has sprouted in urban communities that developers bypassed when they blazed new frontiers deep in the suburbs. Local officials enticed them with tactics like tax incentives, selling public property for a fraction of the price and easing the approval of construction permits. In return, the developers promised to fatten municipal coffers with property tax revenues.

"These days, urban areas are more friendly than the smaller suburban communities because their leaders -- the mayors, the city councilors, the city managers -- they want to see those areas revitalized, they want to see their cities active 24 hours, and the best way to do that is to encourage new construction," said Jeffrey Dunne, a vice chairman of CB Richard Ellis in Stamford, a commercial real estate company that sells buildings for condominium conversion throughout the New York metropolitan area.

Suburban cities "are following the smart growth principles," said Richard V. Guarino, dean of the Center for Suburban Studies at Hofstra University on Long Island. "They're creating density where infrastructure already exists, and they're creating this density with mixed-use development in downtown areas, building offices as well as housing so that you can attract young people to live and work there.

"That's critical to the future of these areas because if they're not able to attract young people, they won't be able to sustain their business and economic gains," Mr. Guarino said.

In the last five years, new condo and rental apartment towers have fueled a renaissance in the working-class enclaves of Union City and Weehawken, N.J., which have at least 30 condo projects recently completed, under construction or in the planning stages; and in once-depressed downtown areas of White Plains and New Rochelle in Westchester County, where three condo towers carry Donald Trump's name.

In Connecticut, condos have brought residents to Stamford's downtown and to an old industrial swath of Fairfield, where a large office and retail complex, Metro Center, will rise along I-95 and across the street from Stone Ridge, the luxury condominium community where Ms. Kim and Ms. Yeoung live.

Like many of the new condos on the market, theirs is a high-end unit, with stainless-steel appliances and granite counters, 10-foot ceilings and hardwood floors. Ownership comes with free health club membership. Prices of such new luxury condos are not cheap, typically starting around \$450,000 for a one-bedroom, and bigger units can cost as much as \$1.5 million. Developers are trying to convince whoever will listen that it is not just a home they are selling, but a style of living.

"The bottom line is that these people want an easier way to live," said Ramin Rezai, project manager at Sterling Plaza Condominium in Great Neck, N.Y., where there is hardly any room left for new development. "They don't want to shovel the driveways. They don't want to deal with the annoyances of a broken boiler.

"What they want is comfort and convenience, but they don't want to pay New York City prices for that."

That is exactly what lured Ms. Kim and Ms. Yeoung to Fairfield, after a year of renting in Manhattan. The women work long hours at a hedge fund in Greenwich, and said they did not want to worry about who was going to drop off their suits at the dry cleaners.

"We have a concierge who can do that," Ms. Yeoung said. "And we don't even have to cook breakfast on the weekends because they serve it at the health club."

She added: "We can live here for two, three years, and we can build a lot of equity. Buying this condo was a great investment. And our home, it looks beautiful."

Photos: Jin Kim, left, and May Yee Yeoung bought a condo in Fairfield after renting in Manhattan. At right, Ramin Rezai at Sterling Plaza Condominium in Great Neck, N.Y., where he is project manager. At left, a

Trump tower, in foreground, in White Plains, N.Y. (Photo by Thomas McDonald for The New York Times);
(Photo by Phil Marino for The New York Times); (Photo by Susan Stava for The New York Times)