

# The New York Times

## REAL ESTATE

# Moving to the Bronx

By C. J. HUGHES MAY 27, 2016



A family rides along Middletown Road, in the Country Club section of the Bronx. Pelham Bay Park brushes the neighborhood, which was the scene of a flurry of sales activity in the first quarter of this year.





Sales are also up at the Parkchester, in the Bronx neighborhood of the same name. The complex, developed by the Metropolitan Life Insurance Company, offers 12,271 condos and rentals across 129 acres.



Like many streets on City Island, Marine Street dead-ends at the water. Island life is appealing to an increasing number of buyers, including some from Manhattan and Westchester County, according to real estate brokers.





Along East 239th Street in Woodlawn, in the northern Bronx. Houses traded briskly in the first quarter of this year in the area, tucked between Woodlawn Cemetery and the Westchester border.



The co-op 601 Pelham Parkway North is an Art Deco edifice in the Bronxwood section. Manhattan buyers are starting to turn up in the building, which is near the New York Botanical Garden and the Bronx Zoo.





A row of houses along Bogart Avenue in the Pelham Parkway area.



A view of the Throgs Neck Bridge from Ferry Point Park in the southeastern Bronx, another area that is attracting buyers.



The number of home sales in the [Bronx](#) soared in the first quarter of this year by 35 percent, far outpacing [Manhattan](#), [Brooklyn](#) and [Queens](#).

In [Staten Island](#), sales also jumped 35 percent, but activity there has been inconsistent over the past several years, whereas the Bronx has experienced a steady climb.

Although the number of transactions in the Bronx compared with the rest of the city is still relatively small, the increase in deals may indicate that the borough is at last living down its rough-and-tumble reputation. Brokers say the sales were not only to buyers moving within the Bronx, but also to people who had been priced out of Manhattan and other areas.

Peter Segalla, an associate broker with Houlihan Lawrence, last summer traded one address in the Bronx, a riverfront condo in Riverdale, for another, a co-op on Pelham Parkway. Transplants from “elsewhere,” Mr. Segalla said, referring to Brooklyn, Queens and Manhattan, are increasingly common, although getting people from outside the borough to consider the Bronx is “a slow educational process,” he said.

“Friends of the buyers tell them: ‘What? You’re moving to the Bronx? What are you thinking?’ ”

“The Bronx is the new Brooklyn,” he added, “and anybody in the know is certainly aware of that.”



Anca Vasiliu, an architect and former Manhattanite, said that when she and her husband went apartment-hunting, they found that agents were “very skittish about proposing the Bronx to buyers” from outside the borough.

But having moved in January to a two-bedroom co-op in an Art Deco building on Pelham Parkway in the Bronx, she said, “you feel like you have breathing room.” Ms. Vasiliu, who had lived in the East Village for two decades, added that “there are things that are still here that have been kind of lost in other parts of New York.” Many of her neighbors have spent their whole lives in the area, which makes it feel less transient than other parts of the city, she said.

Despite the overall residential stability, there certainly have been a lot more properties changing hands.

In the first three months of this year, 989 market-rate co-ops, condos and houses sold in the Bronx, up from 732 in the same period last year, for a 35 percent increase, according to data prepared by the Real Estate Board of New York, a trade association.

In Staten Island, which had 1,195 transactions, sales also jumped 35 percent in the first quarter, but analysts at the real estate board say its data for the borough is less reliable than for the other boroughs, and that activity there has been up and down over the past several years.





By The New York Times

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Queens, which had the third strongest growth, posted a distant 6 percent increase in sales volume.

Meanwhile, sales volume in Manhattan and Brooklyn declined slightly over the same period, according to the board. In Manhattan, 3,053 sales took place in the first quarter, down about 2 percent from 3,107 in the year-ago quarter. And Brooklyn had 2,806 sales in the first quarter, down from 2,911 a year ago, for a 4 percent dip.

While housing buzz has been focused recently on parts of the South Bronx, including Mott Haven and Port Morris, the latest flurry of sales occurred largely in other parts of the borough, including Parkchester, Woodlawn and Country Club, according to the data.

Of course, the arrival of new residents is not good news for everyone, prompting some long-term Bronx residents to fear they will soon be priced out of their neighborhoods. But according to a housing [report](#) released this month from [NYU Furman Center](#), which studies real estate and urban policy, gentrification is not widespread in the Bronx, affecting only pockets. But that report's data cut-off is 2014, so it may not present an up-to-date picture of the pace of change.



Of the 15 low-income New York neighborhoods experiencing the sharpest increases in rent from 1990 to 2014, the report said, two were in the Bronx: rents in Mott Haven/Hunts Point climbed 28 percent, and in Morrisania/Belmont by 23.5 percent. The report attributed the spike to gentrification, specifically the arrival of more young, white, college-educated residents.

Sought-after Brooklyn had seven neighborhoods that made the list, with rents in Williamsburg/Greenpoint soaring nearly 79 percent.

Some in the Bronx are anticipating change, and soon. “Maybe we aren’t Williamsburg yet,” said Susanna Blankley, the director of [Community Action for Safe Apartments](#), a Bronx-focused tenant group. “The reality is, there’s nowhere left to live in Brooklyn, even if you’re making \$45,000 a year.”

Ms. Blankley, who is currently focused on a proposed city rezoning of Jerome Avenue in the Bronx, which she worries is going to displace longtime residents, acknowledges that gentrification is tough to stop. But, she said, it can be managed, with affordable housing requirements.

“We want new jobs to come in. Of course, we also want quality housing,” she said. “But it needs to be affordable to those who live here.”

Ms. Blankley’s group is affiliated with an affordable housing portfolio, the [New Settlement Apartments](#). She said the landlord, New Settlement, is regularly approached by buyers hoping to snap up its 17 apartment buildings, which are in the Mount Eden neighborhood of the west Bronx.



Most buyers in the Bronx purchased houses; the borough's outlying areas often resemble the suburbs they brush against. In total, 699 one-to three-family dwellings traded in the first quarter, the real estate board said. And the submarket that had the lion's share, or 125, was the eastern Bronx, a waterfront area by Westchester County including neighborhoods like Country Club, Throgs Neck and City Island.

Properties can have stuck-in-time prices, with 12 of 13 Bronx submarkets averaging less than \$500,000, according to the board. Plus, tax bills on those houses can be a quarter of those in [Westchester](#), said Teddy Montee, a salesman with DJK Residential, who lives in the area.



Anca Vasiliu, 40, and her husband, Michael Behrman, 38, with Elliot, 1, in the kitchen of the two-bedroom co-op they purchased in January on Pelham Parkway North. Their building has an elaborate terra-cotta facade.

Danny R. Peralta for The New York Times

“I never thought I would ever live in the Bronx,” said Mr. Montee, who was renting on the West Side of Manhattan a couple of years ago and house-hunting in Westchester County when City Island materialized on his car’s navigation system.

The island, with restaurants with names like the Lobster Box and mailboxes shaped like lighthouses, wound up being a fortuitous detour.

Mr. Montee, 33, and Reagan John Rada, 35, also a real estate salesman, bought a four-bedroom wood-frame 1899 house on a tree-lined street. In December 2014, it cost \$545,000, Mr. Montee said, though this year, in a reflection of the market’s robustness, it was appraised for around \$650,000.

Overall, houses in this area, which includes the bike-path-lined [Pelham Bay Park](#), sold for an average of \$457,000 in the first quarter, significantly less than the average Manhattan home, which sold for \$911,000 in the same time frame.

Houses traded relatively briskly in other parts of the Bronx, too. In the Woodlawn/Williamsbridge area in the north Bronx, 113 houses sold this winter, while in Westchester Square and Soundview in the southeast Bronx, 105 did. Both areas posted 30 percent gains in activity over 2015, according to the data.



Middle-class Bronx families in search of upgrades drove some of those sales, brokers said. But investors hoping to make a quick profit from undervalued properties after doing minimal renovations have also been active, said Allison Jaffe, the broker-owner of Key Real Estate Services, who has sold homes in the Bronx for the past 12 years. “The guys who are flipping are back in full force,” she said. These investors, who are often buying in the Bronx because they have been priced out of other boroughs, are a sign that the borough is recovering from the housing downturn, she added.

With large tracts of public housing and affordable rentals throughout the borough, the Bronx does not offer as many opportunities for market-rate home buyers as other boroughs. In the Bronx, the 989 homes that changed hands in the first three months of the year, for instance, were dwarfed by 3,784 sales in Queens.

In addition to single-family homes, the Bronx also has its share of co-ops, many of them in Riverdale, the affluent enclave in the northwestern Bronx. In the first quarter, 112 Riverdale co-ops sold, versus 74 in the first quarter of 2015, according to the real estate board.

And with prices smashing records in the 212 area code, the motivation to move to a place like Riverdale may never have been greater. The average co-op price there was \$282,000, compared with a first-quarter average of \$1.2 million for Manhattan, according to the real estate board.

And in the Melrose/Morrisania area, in the South Bronx, 50 market-rate co-ops sold in the first quarter compared with 16 in the same time frame last year. The average price was \$190,000, the data show.

Major investors are also arriving, scooping up apartment buildings. The Related Companies, the developer that built the Time Warner Center and is now working on Hudson Yards, recently added hundreds of apartments to a portfolio it owns in partnership with the city's pension funds. They plan to preserve the apartments as affordable work force housing. And in March, York Equities and Harbor Group International spent \$140 million for 38 buildings with 935 mostly rent-regulated apartments.





Teddy Montee, left, 33, and his partner, Reagan John Rada, 35, at the Harlem Yacht Club on City Island in the Bronx. The men were thinking about Westchester County when they discovered City Island. They bought their wood-frame house there two years ago.

Danny R. Peralta for The New York Times

The buildings, in areas including Belmont, Crotona Park East and Williamsbridge, are to undergo upgrades to their stores and residential interiors, said Matt Jones, the director of acquisitions for Harbor, a Virginia firm that had never before made a residential investment in the Bronx.

While the South Bronx has been the subject of a great deal of attention, with developers announcing major plans for Mott Haven, near Manhattan, buyers coming across the Harlem River from points south are not necessarily sticking close to the border.

Ms. Vasiliu, for instance, the buyer on Pelham Parkway from the East Village, is several miles away in the central Bronx.

By 2014, the East Village “had reached a tipping point, where gentrification was not fun anymore,” Ms. Vasiliu said. For starters, it was crowded. “We started going to bad restaurants because we knew we could sit down,” she added.

In her new neighborhood, which is sometimes called Bronxwood, Ms. Vasiliu, 40, and her husband, Michael Behrman, 38, also an architect, found a place that reminded them of the pre-gentrification New York, with perks including the parklike [New York Botanical Garden](#) a short walk from their home.

In 2014, Ms. Vasiliu and Mr. Behrman bought a one-bedroom for \$169,000 in their current building, which features terra-cotta detailing on its facade and animal mosaics in the lobby, then upgraded to a two-bedroom, which has a dining room and more than 1,200 square feet, at the beginning of this year. It cost \$235,000.

While co-ops, many in the Deco style, pop up for sale across the Bronx, condos are rarer.



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In Parkchester, 47 sold in the first quarter, up from 23 in the previous year, according to the real estate board. The neighborhood is home to a brick condo and rental complex also called [Parkchester](#), with more than 12,000 apartments in 171 buildings. Developed by the Metropolitan Life Insurance Company, the complex, which resembles Stuyvesant Town in Manhattan, another development by the company, also contains gardens, stores and offices.

In the neighborhood, the average condo price in the first quarter was \$145,000, down a bit from the \$151,000 average in 2015.

More condos are on their way, such as on City Island, where [On the Sound](#), a five-acre waterfront complex from the developer Greystone, has sold 29 of its 43 units since February 2015, according to Sona Davidian, an owner of McClellan Sotheby's International Realty, which is handling sales.

The average sales price has been \$355 a square foot, said Ms. Davidian, who added that the units still available start at \$698,000 for a three-bedroom. Move-ins start this week.

Similarly, Tahoe Development, a Queens firm, is planning a seven-story, 48-unit gray brick condo, with mostly one-bedrooms, many having terraces, in Mott Haven. Stores will wrap the base.

Groundbreaking for Tahoe Towers is expected in early June, said Anthony Gurino, the firm's president, with prices of \$600 a square foot and up. Though the offering plan has yet to be approved, one-bedrooms are expected to start around \$339,000, he added, with two-bedrooms from \$599,000.

Currently, old factories and auto businesses line the area, but it may be only a matter of time before they're replaced. "The neighborhood is on the upswing," Mr. Gurino added. "It's a no-brainer."

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