

Demand for 3-Bedroom Apartments is Changing New York Real Estate

By [Amy Zimmer](#) on October 17, 2013

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MANHATTAN — Finding a three-bedroom apartment is no easy feat for many New York City families — which is why many new developments now opening or underway include sprawling floor plans.

Supply in older housing stock is tight, but demand is certainly there: Some 42 percent of Brooklyn's third quarter sales in new developments were for three-bedroom units, according to a market report released Thursday by [MNS](#).

Three-bedrooms accounted for 28 percent of new development sales in Manhattan, where many more large units are in the pipeline.

"Once you start going over 2,500 square feet, until the new development surge kicked in, it was difficult-to-impossible to find that size apartment," Robert Dankner, President, [Prime Manhattan Residential](#).

Three-bedrooms in Manhattan, for instance, made up only 12 percent of sales for co-ops and condos overall, according to a [recent third quarter sales report by Douglas Elliman](#).

But the development community saw the need for larger apartments, Dankner said, pointing to such new projects underway like [Walker Tower](#) in Chelsea and [56 Leonard in TriBeCa](#) that have included big, flexible layouts.

"A lot of families are now moving assets and redeploying them in a home," Dankner said, noting that the "sweet spot" of three-bedroom homes in Manhattan cost in the \$4.5 million to \$6 million range. "Developers are playing into that by including spacious floor plans that are good for two or three kids. They're delivering what a family wants: practical, well-built, well conceived."

In Chelsea, a new project going up next to the High Line at [508 West 24th St.](#), for instance, has only 15 units, all two- and three-bedroom condominium residences, ranging in size from 2,000 to more than 3,300 square feet. Designed by renowned architect Cary Tamarkin, the homes range from approximately \$3 million to more than \$12 million, and the project is already 40 percent sold after one month of opening the sales office, according to the building's team.

Another example on the Upper East Side, at [150 East 72nd St.](#), Macklowe Properties is overhauling the interior of a classic 1913 apartment building into gracious three- to five-bedroom condos with white oak floors, 10-foot ceilings and central air conditioning. More than half of the apartments, which range in size from 2,300 square feet to 4,500 square feet, have already been sold, with five

units currently on the market ranging from \$5.8 million to \$15.5 million, [according to the building's site](#).

"By creating three-to-five-bedroom apartments, we have filled a void in today's marketplace for large-sized homes, which are not readily available and actively sought after," Jarrett White, a spokesman for Macklowe, said in a statement.

Prices in Brooklyn are much lower, MNS pointed out, which is marketing the [Williamsburg Townhouses](#) on N. Third Street, where homes with 1,892 square feet of interior space and 957 square feet of outdoor space start at \$2.38 million.

While improving public schools are often cited as a reason more families are staying in the city, Wei Min Tan, of [Rutenberg Realty](#), thinks that better parks and playgrounds are a bigger deal, especially for his clients looking for three-bedrooms in kid-friendly neighborhoods such as TriBeCa, Battery Park City and the Upper West Side.

"If they can afford a three-bedroom, they don't really need to go to public school," he said, adding that plenty of families (like his) make do with kids sharing a room in a two-bedroom.