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Test-Drive Condos: Magnum's Jordan Brill Explains One Hundred Barclay's Rent-to-Own Program

By Ondel Hylton
Impressions 296,000



One Hundred Barclay exterior and model apartment (via Corcoran)

One Hundred Barclay, one of lower Manhattan's premier condominium properties and among the most ambitious residential conversions in New York City history has launched an attractive rent-to-own program that allows prospective buyers to take their possible home-to-be for a "test drive." Conceived by Jordan Brill, a partner at Magnum Real Estate Group, the program allows a portion of the monthly rent to go towards the full purchase price of the home.

Sales launched in 2015 on One Hundred Barclay's airy one- to five-bedroom residences positioned at the top 22 floors of the 498-foot-tall skyscraper. Adorned with custom detailing that tastefully reflects the building's Art Deco history, the homes feature entry galleries, chef's kitchens, and oversized windows. They range in size from 1,200 to 3,500 square feet and are currently priced from \$4.485M for a three-bedroom sponsor unit. Approximately 125 of the development's 159 residences have been spoken for, and as Jordan notes, the rent-to-own program was not initiated due to suffering sales.

Residences available for rent in the program include a 3-bed on the 16th floor asking \$18,250/month and a 4-bed on the 20th floor asking \$32,000. The purchase prices of the homes are \$4.485M and \$7.6M respectively. For the latter unit, a buyer who signs into the program could deploy up to \$288,000 of the rent paid over the course of the year towards the \$7.6M purchase price of the apartment.





View west over the Hudson (Credit: Ty Cole)

Aside from the roomy residences, the building has nearly 50,000 square feet of amenities that include a gilded lobby-turned-lounge, a Peloton-packed fitness center, a swimming pool, and four resident terraces with remarkable views of the city and Hudson River.

A legion of design professionals from the firms of Jeffrey Beers International, GRADE, Ismael Leyva Architects, and DXA studio is responsible for breathing new life into the landmarked structure. Originally built for the American Telephone Company and known as the Barclay-Vesey Building, One Hundred Barclay was the world's first skyscraper built in the American Art Deco style. Its powerful silhouette and elaborate nature- and communication-abstracted motifs propelled its architect, Ralph Walker, into the upper echelons of design history. After tailoring other quintessential New York skyline markers in a similar style, such as One Wall Street, Walker Tower and The Western Union Building, Walker received the "Architect of the Century" by the American Institute of Architects in 1957.



Historic photo of the Barclay Vesey Building via DXA Studio

Ondel Hylton: Can you give me some background on why One Hundred Barclay's rent-to-own program was started?

Jordan Brill: We had a glaring issue: The property had tremendous traffic, but there had been a pause from purchasers. There has been a general state of paralysis in the market, and any time we see a problem, we have to solve it. Potential buyers would even hire a designer but would still be reluctant to pull the trigger and close the deal. This helps remove some of the uncertainty from the equation.

Can you give me an overview of the program?

Since there's a concern from many that the market will go south at any moment, but none of us have a crystal ball, the program allows residents to live in their home for up to 12 months and apply a percentage of the rent to the purchase price. This is an opportunity for people to move in and see if they like the space without the risk of buyer's remorse. If the resident closes the deal within six months of renting, 75% of the rent for the full year is applied to the purchase price. If they decide to buy between the sixth and twelfth months, 50% of the rent for the full year is applied to the purchase price.

Some people use the program as a financing tool. A buyer can start paying down a down payment while also making plans to invest in the furniture and design of the home. From our perspective, if a resident is living in a place and is comfortable, it alleviates their concerns about the market.



Are these units also simply available to renters not interested in buying?

No, these homes are only for qualified buyers who are considering purchasing a home. Our buyers know exactly what they want, and they have very strict requirements.

What has been the most well-received component of the building by residents?

The size of the apartments. Also, that the building retains an Art Deco classic feeling, but refreshed. The building has beautiful bones and is not a glass tower. We inherited a beautiful Ralph Walker building and knew we had to be respectful of it.



How much do you think political uncertainty has affected buyers?

Significantly, and because of it, people are very concerned the market will go south.

When do you predict the headwinds facing the Manhattan sales market will ease?

Well, with Australia on fire, Iran, the president being impeached, you can't even get to page six without getting depressed. But there's this myth that there are all these years on inventory on the market, and the sky is falling. Often, it's irresponsible reporting and it scares people. I believe the market will become more fluid after the next presidential election in November 2020, regardless of who wins.

Can you tell me about the new and existing retail at 100 Barclay?

Rumble just signed on as a tenant. We have others in discussion that we cannot disclose. However, we aim for the retailers to become a perfect complement to residents in the building and the neighborhood. We wanted to provide an overall wellness lifestyle. This is in addition to the amenities in the building offers that include an incredible fitness center, spa, steam room, and wellness programming and



What elements of 100 Barclay's design would you apply to future developments?

Build it right, invest in materials, don't cut corners.

What's your outlook for lower Manhattan?

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We think the performance arts center underway will continue the transformation of the neighborhood. But there is already a tremendous quality of life, retail, food, and cultural establishments to be had in the area.



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