



## **What's happening in the West Village in a post-pandemic world? - by Nathaniel Mallon**

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Although New York City suffered immensely during the COVID-19 pandemic, the West Village has rebounded nicely. Businesses continue to open while the residential real estate market outpaces the competition. However, as we transition into a post-pandemic environment, locals question their community's future. Will these trends continue? Or will the real estate market bust, and will retailers be forced to vacate due to growing economic concerns?

Taking a closer look at both trends – a booming real estate market and thriving food and beverage scene – it appears that West Village residents, landlords, and businesses can continue comfortably knowing there is no immediate downturn foreseeable in their future.

## About the West Village

With its gorgeous blend of 19th-century brownstones, cobblestone streets, and tree-lined sidewalks, the West Village has become a popular setting for contemporary film and television. Because of its inspiring atmosphere, the neighborhood attracts artistic visionaries and features an abundance of small art galleries, quaint bookstores, and charming cafes. With an endless number of activities, premier shopping, access to transit, and the world's most sought-after restaurants, the West Village is considered one of the most coveted neighborhoods in New York City.

## Post-Pandemic: The West Village

True to its history, the West Village continues to be a site of change and evolution within the city, even in a post-pandemic era. Over the past year, both residents and small businesses have enjoyed a sort of renaissance following two years of social distancing during the pandemic. Gentrification has brought a new generation of restauranteurs and retailers, enhancing the scene the area has already established.

Popular standbys like Dimes Square, Clandestino, Metrograph, and Coming Soon are being joined by new retailers such as Susan Alexandra, Colbo, Desert Vintage, and Le Dive. Additionally, in anticipation of increased tourism, Nine Orchard, a 14-story hotel featuring 116 guest rooms, is opening. The hotel is transforming an existing landmark, the former Jarmulowsky bank building, “into an elegant hotel and culinary destination ... Originally built in 1912, the hotel has been lovingly restored and reimagined for travelers and locals alike. It is surrounded by cultural institutions, animated neighborhood streets, and some of the city's most exciting shops and restaurants.” This exciting new establishment also features three new restaurants, including a grill, a corner-tavern-style bar, and a cocktail lounge.

In addition to these hotspots, several new restaurants have opened in the West Village, including Bella Dea Wine + Raw Bar, an innovative concept specializing in sustainable seafood and low-intervention wines. Originally a pandemic pop-up, Bella Dea is the East Coast outpost of Santa Monica-based Crudo e Nudo and is transforming the local restaurant scene by meeting the newest demands of local consumers. The restaurant currently shares its West Village home with Breakfast by Salt's Cure, an American diner recognized as one of the hottest breakfast spots in the West Village.

## Real Estate in the West Village

The continuation of new retailers in the area has increased demand for residential units, attracting some of the top developers in New York City. Whether it is just coincidence or a direct correlation is insignificant – the critical fact is that the residential market in the West Village has seen a drastic

transformation since the onset of the pandemic, with housing prices soaring as demand surpasses supply.

According to recent data, “In April 2022, West Village home prices were up 14.4% compared to last year, selling for a median price of \$1.9M. On average, homes in West Village sell after 60 days on the market compared to 120 days last year. There were 86 homes sold in April this year, down from 124 last year.” Sale prices are not the only aspect of the residential market that spiked; West Village rents also soared. A recent report revealed that the average for a 1-bedroom in the West Village is currently renting for \$4,495, a 22% increase compared to the previous year. Furthermore, “Over the past month, the average rent for a studio apartment in West Village increased by 14% to \$3,995. The average rent for a 1-bedroom apartment remained flat, and the average rent for a 2-bedroom apartment increased by 8% to \$6,800.”

One of the most recently closed transactions making headlines in the West Village is the sale of a mixed-use building at 35 Bedford St. A pair of limited liability companies tied to Abby Modell, sister-in-law of Mitchell Modell, the former CEO of the now-defunct Modell's Sporting Goods, purchased the commercial asset for \$31 million. This six-story building is in the heart of the neighborhood and includes 33 apartments and three retail units.

Responding to rising prices and ongoing supply, developers are taking action. A joint venture of 15 Central Park West developers plans to build a \$1 billion luxury tower in the West Village. Having recently purchased 570 Washington St. – a 1.3-acre vacant lot between Houston and Clarkson on the West Side Highway, developers plan to erect a \$1 billion-plus, 36-story, super-luxury condo tower featuring open river and skyline views. Apartments will be priced in the \$5,000 per s/f range, which is unprecedented in the downtown area. While the vacant parcel traded for \$350 million – an extreme price for even New York standards – developers are optimistic that this new development will attract some of the wealthiest people in the tech industry.

Installation is also nearing completion on 76 Eighth Avenue. Conveniently located at Eighth Avenue and West 14th St. intersection, this 120-foot, 10-story commercial structure features a decorative steel façade and borders the Meatpacking District, Chelsea, and West Village neighborhoods. With 30,000 s/f of office space and ground-floor retail, the building is close to several restaurants, bars, and retail spaces and offers quick and easy access to Chelsea Market, the High Line, and Hudson River Park.

Furthermore, attention to newer amenities within the West Village has also been at the forefront of local developers. For example, construction on Gansevoort Peninsula Park, a new 5.5-acre public recreational space on the Hudson River waterfront, is progressing nicely. Located next to Pier 53, directly across from the Whitney Museum of American Art, the park will feature a public beach, a soccer field, a children's playground, kayak slips, a salt marsh, and a dog run, as well as viewing platforms and verdant landscaping. The park's southern edge will be home to David Hammons' Day's End, a skeletal outline of a pier shed built over the Hudson River on the former site of Pier 52.

What does the future hold?

The West Village offers something for everyone, including lush parks for kids and the outdoorsy type, trendy restaurants for foodies, and celebrity sightings for pop culture fans. Increasing property values and recent real estate developments continue to attract and support new residents and businesses.

Whether the real estate market drove the food and beverage scene or vice versa, the question is a moot point now. The reality is that whatever prompted this shift in the historic West Village has catapulted a transformation that residents, both current and prospective, can look forward to.

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