

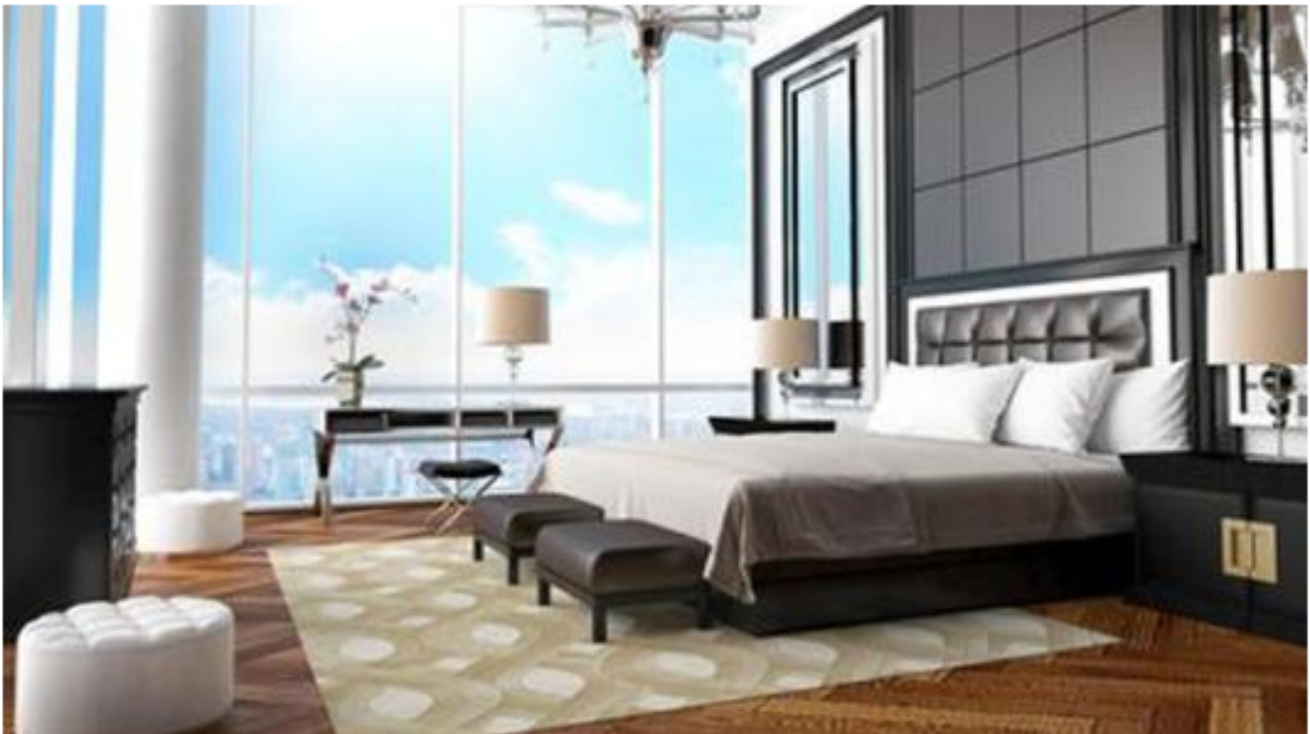


# Here's where foreign real estate investors are buying in New York City

- New York has remained one of the most expensive real estate markets in the world, helped by foreign buyers.
- The Big Apple is a draw for investors from all over the world, including China, Europe and the Middle East.

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Source: Douglas Elliman

One57, 157 West 57th Street, 65A - Central Park South, New York Price: \$150,000 (Monthly).

New York City has one of the [most expensive real estate markets](#) in the world, a distinction earned via a boost from wealthy foreigners snapping up pricey apartments.

The Big Apple is second only to London in its popularity among foreign investors, according to a survey in January by the Association of Foreign Investors in Real Estate. While there isn't one specific group making all the purchases, real estate professionals tell CNBC they've detected certain trends in key neighborhoods across the region, with buyers from Europe, Asia and the Middle East all in search of a solid investment.

One of the key groups is Chinese buyers. When China's economy showed signs of slowing a few years ago, evidence suggested that wealthy nationals were [snapping up U.S. assets](#) in order to get money out, an effect that has [yet to abate](#) even as Chinese buying [slows in other parts of the country](#).

"Chinese clients have been buying \$5 million-plus condos on Fifth Avenue and Park Avenue, \$1 million to \$2 million condos on the Upper West Side, and \$2 million to \$5 million condos in Tribeca and SoHo," said Carole Armstrong, a real estate agent with DJK Residential, citing some of the city's ritziest areas.

Separately, buyers from Russia and the Middle East are snapping up properties in luxury hotbeds such as Columbus Circle and Central Park West, Armstrong added.

"Russians are particularly interested in the name and cachet of the building," said Rena Kliot, founder and CEO of Pulse International Realty. "When there is a certain 'wow' factor and luxurious reputation or square footage like full-floor units or history associated with the property, they're interested."

CNBC spoke with several real estate professionals about which neighborhoods are the most popular with foreign nationals, and why.

## Brooklyn on La Seine



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Brownstone row houses in the Cobble Hill neighborhood of Brooklyn, New York.

Brooklyn's Cobble Hill is close to public transportation and full of beautiful architecture. According to Warburg Realty agent Bill Kowalczyk, it's seeing a lot of interest from French nationals.

"I just sold a townhouse to a French couple," he said. "There is a school here that teaches in English and French. ... I was in a café on Henry Street that was full, and everyone was speaking French."

## Million-dollar 'cookie cutters' in Midtown



Brad Quick | CNBC

Close-up of solar panels on the roof of the Atelier, a luxury development in midtown Manhattan.

James McGrath, co-founder of the Yoreevo real estate brokerage firm, told CNBC that Midtown is a perennial favorite with foreign buyers.

"Midtown, especially Midtown West, is always going to be a favorite," he said. "There are lots of cookie cutter \$1 million one-bedroom [apartments], which will always sell."

## Upper East Side schools attract



Source: Douglas Elliman

According to Dorothy Schragger of Warburg Realty, many Asian buyers are expressing interest in the Upper East Side, "because of the schools."

Jordan Barkin of Harry Norman Realtors said that the neighborhood known as the Silk Stocking District is popular with foreign buyers looking for relatively safe investment opportunities. "Although it is hard to generalize, branded luxury developments are popular with Russian and Chinese nationals due to the perceived stability of the properties," he said.

Populated by boldface names and considered one of the wealthiest neighborhoods in the city, "The Upper East Side is seen as a safe investment because of its longevity and global reputation," Barkin added.

## A 'nice pop' on the Upper West Side



Fotog | Getty Images

Manhattan apartment buildings

Ed Mermelstein, property investment advisor and partner at One & Only Realty Holdings, said that he's seeing a wide variety of foreign clients, from places including Eastern Europe, Asia and the Middle East. They're investing in Manhattan's Upper West Side near Central Park West, and "Billionaires' Row" along 57th Street.

"While we saw a sharp downturn over the last two years from China, the last few months have shown a nice pop in purchases from the region," he said.

## Staten Island development



Davel5957 | iStock | Getty Images

A view of the Verrazano Narrows Bridge from Staten Island.

If Staten Island has less cachet than other New York City boroughs, then that can only mean good deals for foreign buyers.

"A developer friend of mine recently told me that new construction on Staten Island's North Shore is increasingly drawing interest from wealthy foreigners ... as the new ferry service and luxury condominiums are viewed as an attractive buy right now," said John Boyd, principal with The Boyd Company in Princeton, New Jersey.