

Downtown Newark's rental market on the rise

BY JASON SHEFTELL

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For years, real estate developers and government officials thought no one would want to live in downtown Newark. Developer Arthur Stern and his Cogswell Realty Group just proved them wrong.

Recent rentals at Eleven80 (1180 Raymond Ave.), Cogswell's 35-floor 317-unit residential building, show 45 rentals in the past six weeks, putting the building at almost 85% occupancy in just over a year.

"People still don't understand how this revitalization occurred," says Stern, who credits a strong city government, the new Prudential Center Arena and his company's persistent effort for the turnaround. "It was a six-year odyssey of council meetings and presentations to banks to get people to understand that this building and downtown could work."

Drawing renters priced out of Hoboken, Jersey City and Manhattan, Eleven80 has been transformed from a rotting downtown commercial building into the city's tallest residential structure. For 21 years, the former Helmsley-owned building lay abandoned. The nationally registered historic landmark is the first market-rate downtown residential building since 1961.

Sitting two blocks from the Prudential Center and at the southern edge of Military Park, Eleven80 is a five- to 10-minute walk from Newark's Penn Station and a 15-minute Path train ride to downtown Manhattan. Stern thinks location, the building's amenities, gracious apartment sizes and a changing perception of Newark are reasons for this building's fast success.

"For years, Newark was an easy target for people to poke fun at," he says. "The reality is, there are good areas and bad areas. When someone gets killed in East New York, it doesn't scare a person in Chelsea. There are areas of Newark with no crime."

Municipal Council Member Carlos M. Gonzalez calls the downtown area in Newark one of the city's safest places.

"There is more of a police presence downtown than in almost any other Newark neighborhood," says Gonzalez, the Newark North Ward resident who joined the city government two years ago when Cory Booker became mayor. "We're working now on bringing businesses and residents back to downtown and employing our citizens. Investment in downtown is increasing at a very fast pace."

Renters at 1180 Raymond Ave. feel the new downtown energy. This past week alone, Tom Petty, Alicia Keys, and a McDonald's-sponsored gospel show packed the new arena, amicably called "The Rock" by locals. New restaurants, the New Jersey Performing Arts Center and symphony add to the list of things to do downtown.

"I decided to take a chance on Newark and all the things happening here," says Tracey Alexander, a board member of Newark's Habitat for Humanity, who moved from the East Village in January. "It was the best move I ever made. Weekends are quiet, but that's nice. The building has a sauna."

Built in the 1930s, the building also has concrete balconies built into its penthouses, a marble lobby and brass-gilded elevator doors. The modern update includes a four-lane bowling alley, an indoor half-court basketball hoop and a lounge area nicer than any area club. Leather chairs, funky clocks, stainless steel lighting and a wood décor make the second-floor wireless lounge area a frequent amenity choice for residents.

A small supermarket and bank are across the street from one of the building's two lobby entrances. Valet parking is available for residents and guests. A media room has an Xbox and Play-Station with flat screen televisions.

"Our competition is Jersey City, Hoboken, Williamsburg, Long Island City and any other area trying to offer superior quality and more affordable rental units than Manhattan," says Stern. "In three days last week, we had 11 sales. Eight of them came from people previously living in Manhattan."

Rentals in the \$120 million project are being handled by the Marketing Directors, Inc. One-bedrooms rent for \$1,695, two-bedrooms for \$2,450. A similar two-bedroom rents for \$2,850 in Hoboken. Two penthouses with outdoor terraces that face the Prudential Center, Newark Airport and the Manhattan skyline are under renovation.

Last Friday, downtown Newark was beginning to bustle toward rush hour. Street corners and storefronts were crowded with people heading to public transportation for the ride home. A few families played on the grass in Military Park. The circular plaza of PSE&G's world headquarters saw one person enjoying the built-in modern waterfall.

"I saw an unbelievable transformation during the 14 months spent on the job," says William Gilbane 3rd, business development manager for the Gilbane Building Company, the construction company that built the Prudential Center Arena. "Newark grows more into a 24-hour thriving city each time a new development is announced and a new apartment is rented or sold."