
Coveted National Arts Club apartments coming to rental market



By Linda O'Flanagan

Some of the most coveted apartments on Gramercy Park are about to come to the rental market for the first time ever.

Dianne Bernhard, the new president of the beleaguered National Arts Club, said 10 vacant apartments in the historic property are being prepped for new tenants. And, if they play their cards right, the club could pocket \$100 per s/f for the units - or around \$80,000 a year.

"If the apartments are renovated right and have a view of the park, there's no reason why they shouldn't rent for \$90 to \$100 a foot," said Brett Solomon, an agent at Town Residential who specializes in the Gramercy Park neighborhood.

"Right now, there are only a handful of availabilities. One or two studios are out there for \$3,100 a month. Add a doorman to that and the right exposure and you are easily looking at \$3,700 [per month]," he said.

In fact, StreetEasy.com lists the priciest rental on Gramercy Park at \$30,000 a month.

The fully furnished five-story townhouse at 323 East 17th Street - listed by Torsten Krines at Sotheby's - has 6,000 s/f of interior space and an 800 s/f garden and terrace. The tony home has a front and back door, mud room, maid's and laundry room. It also has its own media/screening and fitness rooms.

The National Arts Club has been at the center of a media maelstrom since the beginning of the year following renewed calls for the resignation of longtime president O. Aldon James, who is currently under investigation by the District Attorney for alleged financial irregularities at the club.

James, who finally resigned this month, has been accused of abusing his position and the 113-year-old institution for over a quarter century. He and his twin brother John - who's also been accused of harassment of club members and employees - and family friend Steve Leitner, continue to stay in their apartments at the landmarked building, for which they pay below-market rents.

According to the most recent tax filings, John James pays \$4,272 per year for his digs while Aldon pays \$13,712 a year.

While Dianne Bernhard declined to comment on the current investigations, she said the club was eager to get back on the right footing with other residents of the park.

She said the club was currently "financially healthy" and the 10 vacant units were being readied for the rental market.

"We're getting them all cleaned up," said Bernhard, who paid \$91,200 in rent for her apartment at the club, according to the tax filings from 2009, the most recent available. "We have to work on the electricity and the plumbing, but it's early on in the process."



BRETT SOLOMON

She said new tenants would pay market rates which will be determined by an appraiser and the club's executive committee.

All together there are 35 apartments of varying size in the building. It is unclear which are being released to the market.

Gramercy Park has long been a haven for a well-heeled, artsy crowd whose residency secures them a key to one of only two private parks in the city.

The 25th Governor of New York, Samuel Tilden lived in what is now the Arts Club and other noted residents have included the Shakespearean actor Edwin Booth - who founded the neighboring Players Club - movie star John Barrymore and circus legend Alfred Ringling.

Today, residents include actress Julia Roberts, Kate Hudson, Rufus Wainwright and Amanda Lepore.

Solomon suspects the new rentals will be scooped up quickly by "someone who appreciates the history of New York."

He said, "Everyone will want to look at them, but the people who will really want to rent them will be those with a true appreciation for the history of New York.

"They will be people who enjoy the arts, and visit museums. They have one of the oldest taverns in the city [Pete's Tavern] on the block and the Farmers Market, which is a New York institution. People who truly appreciate all these things will race to rent these apartments."

Solomon added, "Priced right, and renovated well, I expect they'll only last three or four days on the market."