

Updated On 10/15/08 at 03:49PM

Real estate pros bank on low prices to sell Sunset Park condos

By David Jones

Continuum Development Corp. and Sierra Realty Corp. said that by undercutting prices in a weakened real estate market they can succeed in launching sales at One Sunset Park, a six-story condo conversion in one of Brooklyn's most underdeveloped markets.

James Wacht, president of Sierra, acknowledged that they are launching sales at the building, at 702 44th Street in Sunset Park, in a highly turbulent market, but he believes the units are a relative bargain, and the building is in a good position, operating as a mix of new condos and existing rental units that will be upgraded as existing leases turn over.

"We initially bought the building as a rental, because that's what I do," said Wacht, whose company will manage the property. Paul Klausner, president of Continuum, "said there was a terrific strategy to a condo conversion here," Wacht said. "Even if we don't sell out all of the units, if we sell enough to go effective, it's a plus."

The joint venture between Continuum Development and Sierra Realty acquired the building almost two years ago for about \$6.1 million. Units are being renovated with high-end fixtures, including Bosch washers and dryers, Jenn-Air kitchen appliances and Kohler soaking tubs. The building will include a fitness center, landscaped garden, walk-in basement storage units, bike racks and other features.

Units will range in price from \$300,000 to \$585,000 for studio to two-bedroom apartments. Wacht said he believes the majority of potential buyers will be working-class residents from the neighborhood, while his partner argues that buyers from Manhattan and more expensive areas of Brooklyn will be attracted to the building.

The developers will offer existing tenants the opportunity to buy their own units, and the remaining units will be offered on the market to potential buyers. Existing tenants live in rent regulated apartments, so they will be protected during the conversion.

Wells Fargo has preapproved the building and will be available to finance qualified buyers. Five-year adjustable rate loans starting at 5.25 percent interest are available with a 20 percent down payment. Other financing options are available with 10 percent down payment. Federal tax credits of \$7,500 are available for first-time buyers.

Halstead Property, which is the exclusive sales agent for the project, said the building is undergoing renovation with occupancy scheduled for November.



One Sunset Park