

Drawing in renters

The power of art – it can inspire, entertain, mesmerize, charm – and possibly make people rent apartments.

“Absolutely, it does,” said Mark Alexander, a member of 550 Locust Development Partners, developer of The Horizon at Fleetwood, a luxury residential building in Mount Vernon.

In March 2010, the company, a joint venture of Petro Real Estate Development Corp. of Mamaroneck and Alexander’s Glenmark Partners L.L.C. of New York City, bought a half-built apartment building at a bankruptcy auction. The original developer started work on it in 2004 and went bankrupt in 2008. Before that, the site at 550 Locust St. was zoned industrial and was used as a construction storage yard and parking lot.

When the partners bought it, the work, said Alexander, “was about 60 percent complete. Some of the interior work was started, but it had a long way to go.”

Locust Development refiled for permits, got the go-ahead to finish in September 2010 and completed the building by April 2011.

“At first we marketed it as a condo, but the market is bad here, the individual mortgage market,” he said, and it was difficult to sell the units. In September 2011, the building was converted to a rental. By February though, the building was only half rented. That’s when the art exhibit opened.

“When we launched our collaboration with ArtsWestchester with the installation of Contemporary Rhythms, The Horizon was 50 percent occupied. As we closed the exhibition in June, we were fully leased,” he said. “Did the art exhibition contribute to the overall positive energy in the building and our marketability? Absolutely.”

The exhibition presented more than 30 abstract works by seven Westchester artists for four months. ArtsWestchester will curate two additional exhibitions at the property throughout the coming year. “It set us apart from the competition,” said Alexander, who, before going into real estate, was in community development and was experienced in the use of public artwork to promote a community. He did say though, that this was the first time he had worked with an arts organization to curate a show. Most of his prior work had been with individual artists and murals.

Another show is tentatively scheduled for October. “We plan on having a show twice a year,” he said. “This was contemporary/abstract, the next one may be another type of art.”

Alexander’s consortium has buildings in New York City, but no others in Westchester. The Horizon has 75 units, 29 one-bedrooms, 45 two-bedrooms, and one studio. The studio rents for \$1,450, the one-bedrooms for \$1,725 to \$2,025, and the two-bedrooms for \$2,350 to \$2,750. That is substantially more than other rentals in Fleetwood, for which Alexander estimated rents at \$1,200 for a one-bedroom and \$1,500 for a two-bedroom. Given that, Alexander said the building is mostly professionals under 50 and is attractive to people who commute into Manhattan.

He said The Bank of New York had a \$16 million mortgage on the property. Alexander’s group paid \$6 million for it at auction, and then borrowed \$10 million from Hudson Valley Bank to finish the building.

That’s the business side of it. As for the power of art, Alexander said the higher-priced apartments rented during the art exhibit. “Some of the pricing even increased,” he said. “Great public art can be great for business.”

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