

WeLive together! Real estate companies eye commune-style micro apartment communities for young New Yorkers

NEW YORK DAILY NEWS
Friday, March 13, 2015, 12:11 PM



YOUNG WOO

Young Woo is just one developer toying with the communal living concept
Welcome to the new hippie commune.

Proponents of the sharing economy are taking on residential real estate by planning communal living hubs with micro-apartments for young professionals.

Call it the dorm-ization of New York City. Companies are throwing out 12-month leases in favor of month-to-month arrangements that allow millennials to come and go as they please, get an apartment at a moment's notice and even move freely between buildings in a portfolio owned by the same landlord.

Young Woo & Associates, the big time development company known for its innovative plan to bring offices to Pier 57, is toying with the concept in a rental building it already owns at 509 E. 87th St., the Daily News has learned, and has leased out their top floor to a San Francisco based company called Campus that creates a co-living community for young professionals

The idea is to create a community where residents, who would most likely be college grads and young professionals, could network make friends and enjoy community events, without being pinned down with a long-term lease commitment.

"This is targeted at people with a clean slate," said Rey Kapadia of Bond New York, a broker who represents the landlord at the Hive. "I would absolutely have done this when I left college. You can get to know the city a little bit without getting stuck in a 12-month lease."

Campus has been quietly expanding in New York and now has four locations. Its homes range in size from five to 21 bedrooms and the individual bedrooms are available for lease on a month-to-month basis, according to its website.

Neeta Mulgaokar, a real estate agent with Mirador Realty, recently helped the company lease a five-bedroom apartment at 80 Madison Ave. for \$10,000 a month. It then went on to lease out each bedroom individually, she said. One of the bedrooms went to another client of Mulgaokar, who was relocating from San Francisco.



PROPERTYSHARK

The idea is already in motion at 509 E. 87th St.

"He was a bit nervous to make a decision on an apartment since he didn't know if he would be moving permanently or not," Mulgaokar said. "He thought this might be a way to make new friends and get to know some people while getting the benefit of a short-term lease."

The business model is not unlike those of shared office space providers such as WeWork, a trendy company which has voraciously eaten up Manhattan office space over the last several years, charging membership fees to local start-ups and small businesses for the chance to be a part of a thriving community of young professionals.

WeWork has been toying with the idea of moving into the residential space itself and is rumored to have plans to bring such a concept to the city. The so-called WeLive concept would be an extension of the WeWork brand and be targeted at young entrepreneurs .

"We've discovered that the needs are similar (for people looking for office space and apartments)," Miguel McKelvey, the co-founder of WeWork, said Thursday at an event hosted by the Urban Land Institute. "When you're in that start-up phase, where everything is hard, it would be great if that initial experience (of leasing an

apartment) was a little bit easier, whether it has to do with your credit or your requirement to sign a long-time lease while you're still in transition.

“If it's as easy as going on a website and clicking a button, that would be fantastic. That would be our ultimate goal,” he added, though said the company is still working out the details.

Leasing individual bedrooms on a month-to-month basis substantially increases work for landlords but some experts said the extra effort would be worthwhile, since residents on short-term leases would likely be willing to pony up more money per square foot than in a traditional situation.

“You’d run it like a pseudo hotel,” said Martin Nussbaum, a landlord and founder of Slate Property Group. “People are willing to pay a lot more for a place to stay on vacation than they would be for a home.”