

# REAL ESTATE WEEKLY

November 21, 2013

---

## Rutherford restoration reaches a peak

---

A turn-of-the-century hospital with landmark status is to developers what the K2 is to mountaineers.

To transform this historic Stuyvesant Square building into a successful residential venture, Barnet Liberman needed perseverance and a little bit of luck.

Now, 20 years after the nine-story hospital at 305 Second Avenue was redeveloped into a rental building, Liberman is selling the 78 apartments.

Marketed by Richard Cantor, of Cantor-Pecorella, 12 units have already been sold, with the rest scheduled to hit the market in stages over the next two years.

Rutherford Place's medical past greets visitors in the building's lobby from museum-style wallpapers. The hospital's original Hippocratic Oath hangs on the wall, as does a summary of the building's history: built by noted architect Robert Henderson Robertson, J.P. Morgan donated it to the city as a birthing hospital.

As legend has it, at one point 60 percent of all Manhattan births took place in this building.

Another frame showcases the letter of a neighbor complaining about the statue of a naked cherub above the front door — a relic of a more puritan phase in America's history.

The small museum was one of the many requirements imposed on Liberman by the state's historic preservation office in 1981, when he bought the building and began redevelopment. It was also the easiest to comply with.

Far more difficult was the task of integrating some of the building's distinct structural features into the new residential units.



20 years after the nine-story hospital at 305 Second Avenue was redeveloped into a rental building, Liberman is selling the 78 apartments.



BARNET LIBERMAN

“One thing (the historic preservation office) thought deserved preservation was the staircase,” said Liberman. But there was one problem: “It took up a lot of space.”

Spiraling up from the first floor to the roof in grand, turn-of-the-century style was unused square footage that Liberman wanted to add to his apartments. To make this possible, his lawyer came up with a creative suggestion: The staircase would be disassembled and the space integrated into the apartments, but the round walls would remain.

Liberman vividly remembers the moment his lawyer presented this proposal to the preservation office. “He threw up his arms and said the walls in the apartments would ‘evoke’ a previous staircase, and he got away with it. I couldn’t believe it. The extra space we gained was 300 s/f per apartment.”

Although forced on the developer, the former staircase adds to the building’s appeal. One apartment’s living room, built into the former staircase, has a somewhat artsy flair with its high ceilings and round walls. According to Richard Cantor, this is precisely what many buyers like.

“Rutherford Place appeals to people with an artistic bent. It doesn’t have the typical boxy layout,” he said, adding that most new buyers are in their 30s or early 40s.

Almost all units in Rutherford Place are duplexes, and the ceilings on the apartments’ upper levels are conspicuously low.

When Liberman converted the hospital, he decided to turn each high-ceilinged hospital floor into two residential floors. The plan maximizes the use of space, but Kevin Garnett (the 6 ft. 11 ins. Brooklyn Net) probably won’t choose Rutherford Place as his New York home.

Adding the floors was a challenge, because the building’s structure wasn’t strong enough to support them.

“We put steel tubes down to the basement and put in an entirely new structure,” said Liberman. “We essentially created a building within the building, which supported the intermediate floors independently.”

The reconstruction took two years, and the former hospital became the rental building Rutherford Place in 1983.

After selling 30 units in 2005 and 2006, Liberman is now putting the remaining 78 on the market.

To mark the occasion, Rutherford Place is getting its second major makeover. Corridors and bathrooms are being renovated, while the top floor will soon sport a common lounge area just below a rooftop terrace.

Rather than market the units all at once, Liberman chose what Richard Cantor calls a “carefully staged roll-out.”

“It’s the ice cream store problem,” said Liberman. “If people have a choice between three flavors, they make their decision quickly. If you have 30 flavors, they stand in front of the counter forever and can’t make up their minds.”

So far, Liberman is happy with the results. Seven units have been sold in the past months, a further five are under contract, and Liberman hopes to sell all but seven or eight within the next year. One-bedrooms are priced between \$950,000 and \$1.65 million, two-bedrooms between \$1.35 million and \$2.8 million, and three bedrooms are asking more than \$3 million.



78 apartments are for sale



It's an ice-cream problem – which one to choose

Richard Cantor insists that this is a bargain compared to nearby Gramercy Park, even though the neighborhood is supposedly just as nice.

Rutherford Place overlooks green Stuyvesant Square, the rooftop terrace offers glorious views of Manhattan’s skyline, and Union Square is around the corner.

The park and a nearby private school explain why the building is — in Cantor’s words — “rife with kids.” It seems fitting that a former birthing hospital is now one of Manhattan’s more child-friendly apartment buildings.



Rutherford Place appeals to people with an artistic bent.