

COMMERCIAL OBSERVER

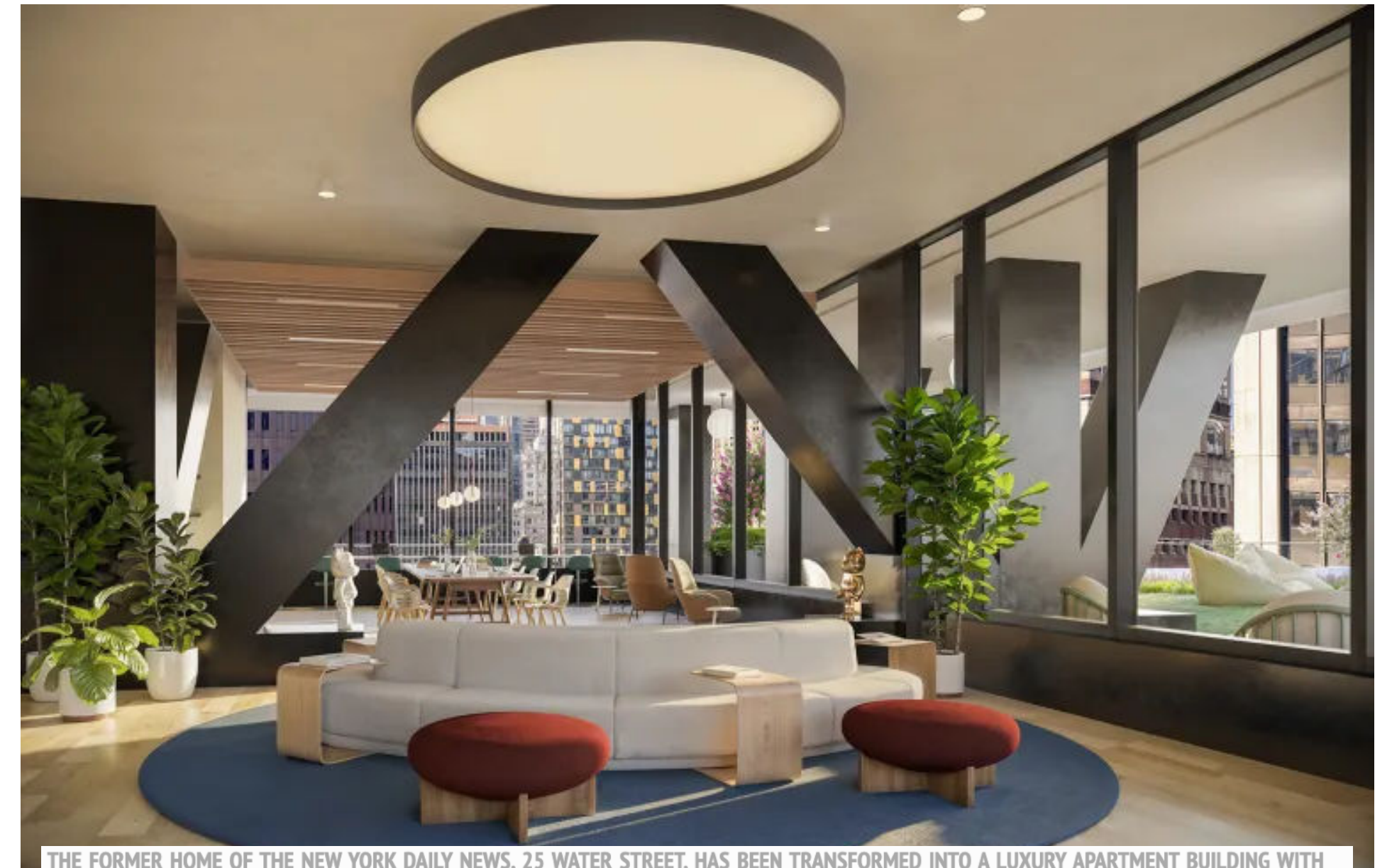
The Plan: Dull Office Space Converts to Vibrant Residences at 25 Water Street

BY [AMANDA SCHIAVO](#) FEBRUARY 27, 2025 6:00 AM



THE REDEVELOPED 25 WATER STREET INCLUDES NOT ONLY ONE, BUT TWO POOLS FOR RESIDENTS, INCLUDING AN OUTDOOR ONE.

RENDERING: COURTESY STREETSENSE



THE FORMER HOME OF THE NEW YORK DAILY NEWS, 25 WATER STREET, HAS BEEN TRANSFORMED INTO A LUXURY APARTMENT BUILDING WITH AMENITIES INCLUDING A COWORKING SPACE.

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Look, up in the skyline. It's a bird, it's a plane, it's New York City's latest office-to-residential conversion!

The former office building at 25 Water Street, which once housed muckrakers like the *New York Daily News* and *National Enquirer*, is now ready to welcome residents to their new home after being developed by [GFP Real Estate](#), [Metro Loft Management](#) and [Rockwood Capital](#).

In its former life, the 32-story building [completed in 1969](#) was designed to look like an IBM punch card — not exactly aesthetically pleasing. There was also a surprising lack of windows at the waterfront building. So, the developers enlisted the services of architectural firm [CetraRuddy](#) to transform the building inside and out from an old, drab office space into a mecca for luxury downtown living.

The Financial District apartment complex, rebranded as SoMA — a play on the building's southern Manhattan location — now offers 1,320 apartments ranging from studios to three-bedrooms, as well as approximately 100,000 square feet of lifestyle amenities.

“That building had been on the market from time to time over the years before COVID, and then when COVID hit, it was clear that it was not going to survive as an office building,” said Brian Steinwurtzel, co-CEO and principal of GFP. “We went about trying to figure out how to create a building that would not only be a beautiful apartment building but a community for residents, because we knew with a 1.1 million-square-foot office building that there would be over 1,000 apartments.”

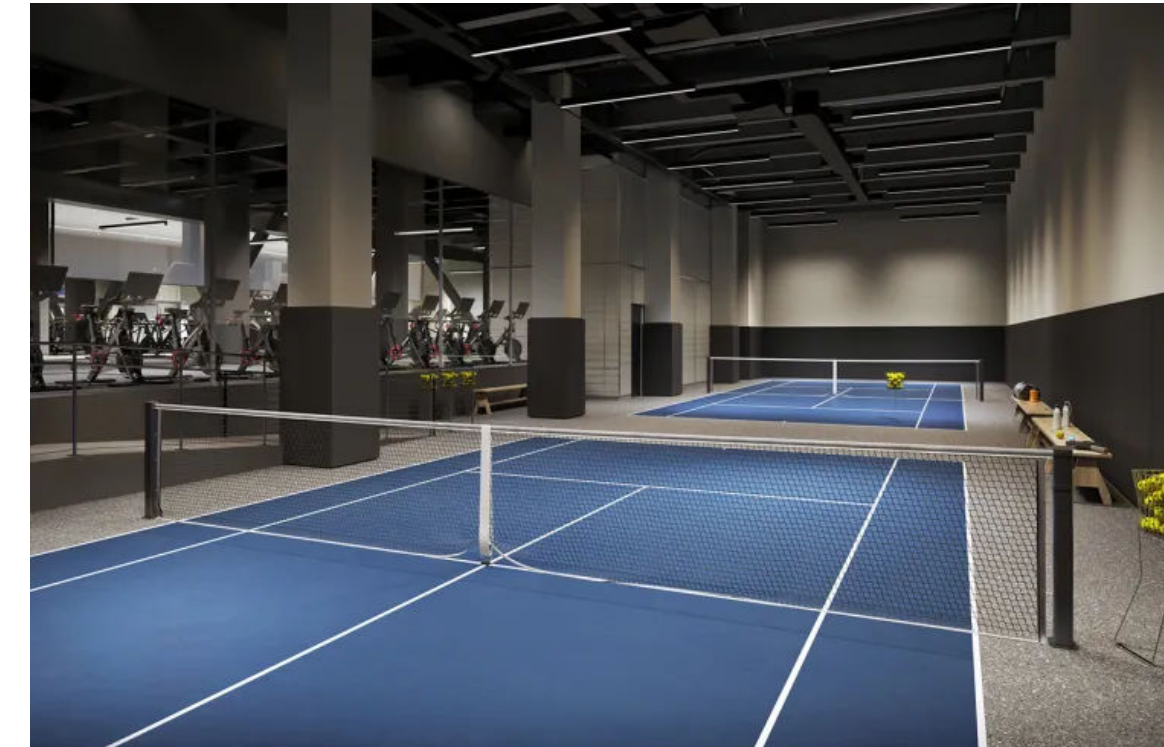
Amenities at 25 Water Street include coworking spaces, a landscaped roof terrace with grilling stations and areas for private dining, an indoor “serenity lounge” with views of Battery Park, an indoor basketball court, pickleball courts, and training studios for Pilates and yoga. If that wasn’t enough, there are also two pools — one indoor and one outdoor, as well as an on-site spa.

Some 25 percent of the building’s units will be designated as affordable housing, Steinwurtzel said, and a portion of those will be specifically priced to cater to residents earning between \$80,000 and \$100,000 per year. Currently available market-rate units start at \$3,545 per month for a studio.

SoMA is the first office-to-residential conversion project to utilize the state’s 467-m housing tax incentive, Steinwurtzel noted. 467-m is part of New York’s efforts to combat its decades-long housing crisis through a series of programs that offer tax breaks to incentivize development.

The 467-m program [specifically targets residential conversions](#). It offers 35-year tax benefits on projects started by June 30, 2026; 30-year benefits to projects started by June 30, 2028; and 25-year benefits to projects started by June 30, 2031. There are also no construction wage requirements with 467-m, unlike [the 485x tax incentive program](#).

“I think 467-m is a really good collaboration of industry and government,” Steinwurtzel said. “The city and state governments, along with developers like us, collaborated to try to come up with an incentive package that would encourage conversion of office buildings to residential and at the same time help to resolve the affordability crisis in the city.”



A PICKLEBALL COURT IN 25 WATER STREET.

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25 WATER STREET HAS 1,320 APARTMENTS RANGING FROM STUDIOS TO THREE-BEDROOMS.

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THE NEW BUILDING INCLUDES A SPA WITH A SALT ROOM INSIDE.

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