

REAL ESTATE

This is the largest office-to-residential conversion in the US — and it's just the beginning

The massive edifice at 25 Water St. has successfully swapped its cubicles for more than 1,000 apartments.

The former Financial District office tower underwent a two-year gut renovation to turn it into a high-end residential apartment complex. The behemoth of a property was once shared by JPMorgan Chase, the National Enquirer and the New York Daily News. When the 32-story tower opened up leasing in January, it became [the largest office-to-residential conversion](#) in US history. The overhaul is just the tip of the iceberg of office-to-residential conversions in New York City, thanks to ambitious developers and new regulations. “They can’t compete as office buildings anymore,” Nathan Berman, the founder of developer Metro Loft, [told the New York Times](#). “And we’re taking them, sort of, out of the race.” This newly debuted building, called SoMA (South Manhattan), contains 1,320 units ranging from studios to three-bedroom apartments. Rents range from \$4,000 for a studio to more than \$10,000 for a three-bedroom, according to StreetEasy. Two four-bedroom units on higher floors start leasing this summer, the Times reported, and 25% of the building’s units have been set aside as affordable. Not long ago, 25 Water St. was derided by its office tenants as fortress-like. The 55-year-old brutalist structure was originally built to house computers, hence the former facade’s striking lack of windows. The sparse, thin exposures were designed to keep mid-century behemoth computers cold. Now, SoMA is an amenity-packed oasis for young professionals, the first of whom moved in February. Residents enjoy luxurious amenities like an infrared dry sauna, a salt room, pickleball courts, two pools and a two-lane bowling alley.

Developers Metro Loft, Rockwood Capital and GFP Real Estate were behind the conversion. They purchased the nearly vacant property in 2022 after occupancy plummeted during the COVID-19 pandemic. The developers undertook an ambitious renovation, which included replacing the facade’s all-encompassing brickwork with large windows, carving out light wells and adding 10 stories. Developers and architects will attest to the fact that office conversions are particularly tricky — windows, central air conditioning and bathrooms often need total overhauling. Building and fire codes for residential buildings are also different from office buildings. The Adams administration’s “City of Yes” plan has made office-to-residential conversions significantly easier, [the Post previously reported](#), making it more than likely that similar developments to 25 Water St. are on the horizon. It’s clear that, for some developers, the endeavor is worthwhile. Pearl House, a former 1970s office tower located in the bustling Seaport District, opened its doors in late 2023 and is fully leased. The 588-unit conversion, developed by Vanbarton Group, was the largest office-to-resi conversion in NYC until SoMA.





SoMA residents enjoy in-house pickleball courts.
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