

## Hotel Seeks Fashionable Crowd Uptown

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An upscale lodging company is opening its first Viceroy hotel in New York, trying to bring a downtown vibe to an increasingly crowded Midtown corridor.

The Viceroy Hotel Group expects to open a 29-story property in September, with 240 rooms, a ground-floor restaurant and a rooftop bar with panoramic views of Central Park.



A rendering of the new Viceroy hotel planned at 120 W. 57th St.

Located on 57th Street between Sixth and Seventh avenues, the Viceroy will sit across the street from what will be the city's first Park Hyatt when it opens later this year. That luxury hotel will occupy the lower floors of One57, a 1,004-foot skyscraper from Extell Development Co. that will also include some of the city's most expensive condos.

A little farther east, real-estate investor CIM Group and developer Harry Macklowe are building a 1,400-foot luxury apartment building across from Manhattan's Four Seasons Hotel. It is expected to be completed by the end of 2015.

Next year, Baccarat Hotels & Resorts also plans to open a \$403 million project nearby on 53rd Street. It will feature luxury apartments and more than 100 hotel rooms, where some rates will exceed \$800 a night, according to Starwood Capital Group, which is developing the project.

Viceroy Chief Executive Officer Bill Walshe declined to comment on what his hotel development will cost. But he said it won't necessarily be vying for the same well-heeled Midtown clientele as the five-star hotels in the neighborhood.

His room rates will be on average around \$400 and he hopes to attract a more fashionable crowd than other high-end chains.

"Some people who like to stay downtown for the vibe will travel uptown to stay with us," he said. The hotel is being developed with New York-based real-estate investor Ark Partners. Roman & Williams, which worked on interiors at hip lower Manhattan hotels like the Standard and Ace Hotel, is the designer.

Tom McConnell, a hotel specialist at broker Cushman & Wakefield, says the new Viceroy would likely compete for business with downtown boutique-style hotels like the Crosby Street Hotel and the Mercer Hotel in SoHo.

"There aren't too many uptown versions of that type of hotel," he said.

Viceroy has hotels throughout the U.S., and in Turkey, Abu Dhabi and the Caribbean. But the Los Angeles-based company looked for years in New York before settling on the 57th Street location, Mr. Walshe said. The company is half-owned by Mubadala, an Abu Dhabi government fund. It is slated to open at a time when Manhattan hotel occupancies have returned to near peak levels, rivaling those reached before the financial crisis, though room rates have yet to return to previous highs.

For the first 11 months of 2012, Manhattan hotels had an occupancy rate of 85.8%, up 2.9% from the previous year, according to Smith Travel Research.

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