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Developers Woo Buyers With the Help of David Bailey and Jeff Koons

A prestigious artwork can set a high-end development apart from the competition by giving it a unique identity



©Jeff Koons - 'Pluto and Proserpina', one of two steel sculptures by Jeff Koons, costing \$14m, at Oceana Bal Harbour, a waterfront development in Miami

Renowned for his National Geographic portrait of an Afghan girl with searing green eyes, the US photojournalist Steve McCurry has recently taken on something rather different to war photography.

McCurry has been commissioned by the property developers CIT to produce a series of 40 images of artisans on London's South Bank. The pictures will be exhibited in the entrance of South Bank Tower – formerly King's Reach Tower – and published in a one-off book for buyers.

The building's 191 flats will span 30 floors (with 11 floors of offices and retail below) and will cost from £680,000 for a studio up to £9.1m for a large lateral apartment.

“We wanted someone of McCurry’s status and reputation to produce something that will appeal to our buyers who – we hope – are urbane, sophisticated arts patrons,” says George Kyriacou of CIT. “You can’t measure what impact it will have, but it helps to give the building a unique identity.”

Collaboration between developers and artists is becoming quite common in London and abroad. It is seen as a way to set a development apart from the competition and add prestige and value. Film-maker Sam Taylor-Wood and artist Nadav Kander produced photographs of Knightsbridge as marketing material for Candy & Candy’s One Hyde Park, while artist James Turrell created light installations for the exterior and interior spaces.



©Thierry Bal - Steve McCurry at South Bank

The Neo Bankside development, next door to Tate Modern, hosts permanent exhibitions in the public spaces around the building and some private apartments. “The close connection we have to art persuaded many of our residents to live here,” says Nicholas Gray of property developer Native Land.

Meanwhile, the photographer David Bailey was recently drafted in to produce 44 shots for The Chilterns in Marylebone, the area’s first new-build development in six years, where three-bedroom apartments begin at £7m. Buyers of the 44 apartments will each receive a signed, limited-edition book of Bailey’s photos and – possibly – one of the prints, worth £20,000 each. The rest of the images will be displayed in the building.

In Miami, which has its own art fair – Art Basel Miami Beach – the link between art and high-end property is well established. Eduardo Costantini, the Argentine property developer, philanthropist and founder of the Malba museum in Buenos Aires – home to one of the world’s biggest collections of Latin American art – invested \$220m in a waterfront plot on Miami Beach in order to build Oceana Bal Harbour, a 28-storey glass cube. He wanted some artwork to match the calibre of the location, so he got in touch with Jeff Koons.

“I thought we couldn’t afford him, but we found out he was working on a new series, and we paid \$14m for two pieces,” says Costantini. “It’s very expensive, but because of the size and scale of our project, we wanted to make a strong statement about the importance of art. The art speaks of the quality of the developer and, as I’m responsible for Malba, I couldn’t have a bad piece of art.” Koons’s 10ft steel sculptures, “Pluto and Proserpina” and “Ballerina”, will grace the building’s breezeway.

Yet, wouldn’t an upmarket development in this location sell as fast without the art? “As developers, we propose a way of living,” says Costantini. “It’s not about maximizing profit, but maximizing the offering you provide for buyers.”



An artwork in 'New Revisions', a show at Neo Bankside

Also in Miami, The Residences at W South Beach – where the penthouse is on sale for \$12.9m and resale apartments are due to come on the market soon priced from \$1m – prominently display the prolific art collection of its developer, Aby Rosen, who has used works by Damien Hirst, Andy Warhol and Jean-Michel Basquiat among others in exhibitions in the hotel lobby.

“Using art in property developments is becoming a very hot trend in Miami,” says Mayi de la Vega, chief executive of One Sotheby’s, which is marketing the apartments. She refers to the Ritz-Carlton Residences on Miami Beach, where buyers will have curators from Los Angeles and Argentina on tap to advise on art for their properties. “Art instils the city with a longevity,” she says. “You’re building a city that’s mindful of culture.”

In New York’s Tribeca district, Eldad Blaustein, chief executive of IGI USA, the developer behind 93 Worth – a former 1920s knitting factory converted into 92 loft-style residences – feels there is no quantifiable “dollar value” you can attach to displaying high quality art. “But as part of the whole project, it’s a valuable aspect,” says Blaustein, who has collaborated with the young Israeli photographer David Kassman to produce a series of pictures inspired by nature.

Apartments at 93 Worth originally cost from \$500,000, but just four properties remain, all penthouses, priced from \$7m to \$10m. “Mainly our buyers are local families who are buying to live here. They appreciate art and Kassman’s photos give the building a sense of locality so that it’s more than just bricks and walls,” says Blaustein. “It’s inspirational and brings an elegance, colour and freshness to the project.”

While most developers say it is impossible to put a price tag on the value art brings to their development, Giles Hannah of Christie’s International Real Estate feels differently. “I’d say you can add 4 to 5 per cent to your sales price by having good art works – and that applies as much to single houses as new developments,” he says. “There are very wealthy buyers who circulate the globe following the art world, and property developers in Miami, Dubai and London will often launch developments to coincide with the biggest shows and auctions as it’s a way of accessing ‘qualified wealth’ at those times.

“We see a direct correlation between trophy paintings and trophy properties. Someone will buy a work of art, then want to buy a property to display it in,” says Hannah. “Increasingly, developers are using art as a major feature in their projects as good art sells a property, almost like dressing an apartment well. It gives a wow factor and adds value.”

Paul White, chief executive of Frogmore, a partner of The Chilterns project in London, is less convinced of the direct correlation between art and property value. “I’d be shocked if a buyer said they’d invested in our project because of David Bailey. If only it were that easy,” he says. “It’s about doing something new and creating a sense of locality. I only wish I’d thought of doing it years ago.”