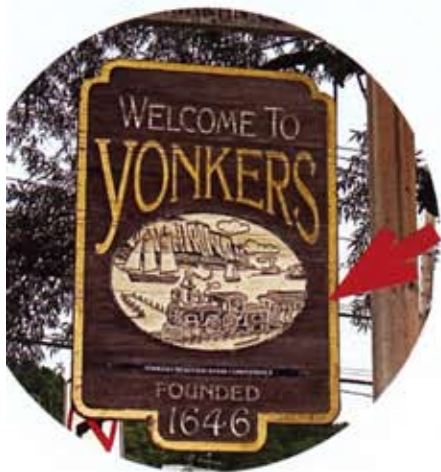
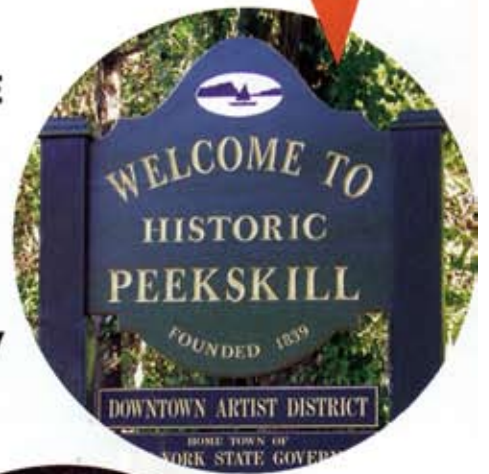




WHERE TO BUY NÖW!



THESE SIX WESTCHESTER TOWNS ARE ABOUT TO BOOM— AND YOU CAN GET IN ON THE GROUND FLOOR. HURRY! YOUR RIVER-VIEW MANSION AWAITS!



BY CATHERINE CENSOR





A real estate pot of gold? Stretching over the heart of Peekskill's downtown, a rainbow illuminates Peekskill's Division Street, better known as Restaurant Row, and two of its best known landmarks: the turret on the Submarine Galley building and the downtown Gazebo.

PEEKSKILL

MEDIAN SOLD HOME PRICE:

\$385,000

THE PROS: Arts galore; diverse community; inexpensive historic homes; low taxes; Metro-North station; vibrant restaurant scene; Hudson River views.

THE CONS: Far-north location means a long haul to the city; still shedding legacy as one of Westchester's poorest cities with struggling industrial base.



THIS CITY HAS SO MUCH TO OFFER THAT you might wonder why it isn't already hot. There are seven different art galleries here, including the well-regarded Maxwell Fine Arts on Main Street, Avant-Garde Gallery on South Street, and Flat Iron Gallery on Division Street. There's a vibrant restaurant scene, boasting hip and contemporary Division Street Grill, family-friendly Susan's Restaurant, 51 Hudson Café (30 omelet varieties and a view of the Hudson), and Zephs', where a typical entrée might be Vietnamese shrimp wrapped in a sweet-potato fritter. There are historic homes, a Metro-North station (it takes just under an hour to get to Grand Central), and Hudson River views. There's a hip, bohemian vibe, a few cute shops for browsing (the Bruised Apple for used books and Side Effects for gifts and accessories), a coffee

house-cum-gallery, and did I mention the Hudson River?

Right now, you can snap up single-family homes in Peekskill for as little as \$250,000 and, if you can stretch all the way to \$494,850, you can get a restored 2,600-square-foot Victorian with inlaid parquet floors, ornate moldings, and all the details that give charm freaks the vapors.

In the Fort Hill neighborhood, which was recently declared a National Register Historic District (it runs along Nelson Avenue from Main Street to near the Bear Mountain Extension), there's a 2,700-square-foot Victorian with stained glass, carved banisters, and an entry hall fireplace (it's just one of the house's three) and summer porches off two of the rooms. The house is on a quarter acre and, if I can come to terms with the "motivated seller" (asking price: \$549,900—a little on the high side for this area where homes typically sell in the high-\$400-to mid-\$500-thousand range), it might be mine before this article sees the light of day.

The Mortgage Hill neighborhood (so named because the homes in this location once commanded a substantial bank loan), also called Riverview Park, runs along Maple Avenue, traveling east out of the city. Here, many of the large, stately homes from the early 1900s, '20s, and '30s enjoy beautiful river views. (Because

ON THE MARKET

PEEKSKILL



Neighborhood/location: Fort Hill Historic District
 Listing price: \$449,000
 Square feet: 2,000
 Year built: 1900
 Bedrooms/baths: 3/3
 Est. acreage: 0.09
 Taxes: \$9,760
 Features: Entry with fireplace, dining room, 700 square feet of finished storage
 Listing provided by: Maryann Ottaviano/River Towns Realty/GMAC R.E./ (914) 739-2667



Neighborhood/location: Fort Hill Historic District
 Listing price: \$549,900
 Square feet: 2,700
 Year built: 1890
 Bedrooms/bathrooms: 4/2.5
 Est. acreage: 0.24
 Taxes: \$9,844
 Features: Victorian details including 3 fireplaces, stained glass, and pocket doors
 Listing provided by: Maryann Ottaviano/River Towns Realty/GMAC R.E. (914) 739-2667



Sleepy in the early morning hours, Port Chester's Main Street is typically bustling with activity come 9 am. The extraordinary restaurants here attract diners from all over Westchester and nearby Fairfield county. If real estate development ever comes to the table, the town could transform into a 914 version of SoNo.

Peekskill, like Yonkers, is built on steep hills, you don't have to be down by the river to get wonderful views.) Homes here sell in the \$500- to \$600-thousand range.

Another historic area to watch in coming years: the Belden Street neighborhood. Currently a bit run down, the area boasts some of Peekskill's oldest and quaintest homes. Because Belden Street borders a new Ginsburg development, The Abbey at Fort Hill, the area might soon experience a transformation. According to Joe Lippolis, co-owner of River Towns GMAC Real Estate in Peekskill, taxes in all these areas are low, thanks to the city's industrial base. Lippolis's colleague, Maryann Ottaviano, says the median tax on a single-family home is \$7,500.

"We're seeing a lot of first-time home buyers and families moving into Peekskill," says Ottaviano. "Where else in Westchester can you buy a really nice home for under five-hundred thousand dollars? Most of the homes here are older—there's not a lot of new construction—so while you might not get four bathrooms, you'll definitely get ten-inch moldings."

Even if you're immune to the seductive power of pocket doors, buying in Peekskill makes a lot of sense. Peekskill voters recently approved a near \$60 million bond that included \$48.3 million for a new middle school, which is now under construction. And the city has worked hard to gain a reputation as a mecca for arts and culture. Resident artists, the high concentration of galleries, and strong cultural institutions like the Paramount Center for the Arts (a beautifully restored movie palace from the '30s that now presents both live performances and art-house films) and the Hudson Valley Center for Contemporary Art, contribute to the vibrant scene. (The *New York Times* dubbed the Hudson Valley Center

for Contemporary Art "the most dynamic contemporary art site in Westchester.")

Upscale new construction and condo conversions provide more reasons for optimism: completed in 2005, Ginsburg Development Companies (GDC) converted Chapel Hill, a former girls' boarding school on 100 acres between Peekskill and the Blue Mountain Reservation, into 72 semi-attached homes, 94 townhouses, and 28 lofts in the historic St. Germaine's Building. Riverbend, another GDC development, put gracious townhouses with river views (\$345,000 to \$649,900) on the market. Overlooking the Hudson River off of Route 9, the planned 124 townhouses and 12 multilevel condos of The Abbey at Fort Hill, yet another GDC development, is a community designed around the historic Stone Abbey of St. Mary's. Prices are estimated to start in the \$500,000s.

"Chapel Hill marked a real turning point for the city," says Peekskill spokesperson Tony Seideman. "Before Ginsburg took over the project [it had been started and subsequently abandoned by another developer], world-class developers weren't interested in Peekskill. After Chapel Hill went up, a unit there sold for five-hundred thousand dollars and the value of the nearby houses went up dramatically. Then the value of the houses near *them* went up. And so the wave swept over the city."

Still not seeing dollar signs? Two new projects might change your mind. In February of 2004, Peekskill asked GDC to come up with a comprehensive plan for the redevelopment and revitalization of the city's waterfront. And Scenic Hudson, an environmental group, was brought in to ensure that the magnificent waterfront wasn't put at risk. The result is a two-pronged development plan. Scenic Hudson is developing Peekskill Landing, a public green space

PHOTO BY WILLIAM LULOV

with cultural attractions. West of the train tracks, GDC is putting residential units along Water Street, uniting its existing Riverbend development with West Main Street

GDC's portion of the project is east of the train tracks. It combines the now-familiar mix of residences (to be built along Water Street) with shopping, dining, and a connection to the waterfront park on Peekskill Landing. Looking west along Central Avenue, towards the Hudson River, an artist's rendering shows a wide pedestrian plaza with gardens and plantings. Flanking the plaza, buildings with first-floor level shops, restaurants, and outdoor cafes set a lively scene for the residents of the upper-story lofts. At the western end, there's a fountain with reflecting pools and the restored Lincoln Depot Museum celebrating Abraham

Lincoln and Peekskill's contribution to the Civil War. A stairway and footbridge leads across the rail tracks to the riverside park beyond.

In addition to the park, Scenic Hudson's portion of the project, west of the train tracks, will feature Lent House, Peekskill's oldest building. Built just after the Revolutionary War, the wooden house, now in a sad state of disrepair, is to be moved to the site and opened as a museum of the City's early history. Another special feature of the park, a ferry pier, is designed to attract Hudson River cruise ships and ferries of tourists to Peekskill. Who knows? Maybe my house (and yours) will be on the tour.

PORT CHESTER

MEDIAN SOLD HOME PRICE: \$535,000

THE PROS: Waterfront location; historic downtown; diversity; one of Westchester's best ethnic restaurant scenes; Metro-North station; surrounded by wealthy suburbs, like Greenwich, Connecticut.

THE CONS: Development is lagging and what little there is, is controversial; one of Westchester's poorest villages with a median household income of \$44,139 (compared to a countywide median of \$61,835).

PORT CHESTER IS DEFINITELY a "buy and hold" town with a high risk/forward potential. There's a vibrant restau-

rant scene here that's nearly as diverse as the local population: Alba's Restaurante serves up Northern Italian cuisine, while Café Mirage offers an eclectic mix of French, Caribbean, and Asian; Ebb Tide Seafood & Lobster Shack, located on the waterfront, serves lobster rolls, F.I.S.H. serves (what else?) Mediterranean seafood, and Pacifico offers Nuevo Latino. But that's just a nibble. Like Brazilian? Port Chester has it. How about Peruvian? Mexican? Japanese? Authentic barbeque? Prime steakhouse? Port Chester has those, too.

Boasting a thriving Restaurant Row, along with a piece of precious waterfront, Port Chester is already a dining destination for residents from wealthier surrounding towns. From a real estate investor's standpoint, this is not an insignificant fact.

"The usual progression is restaurants come in first, then they're followed by stores, which are in turn followed by condos," says J.P. Endres, president of the Westchester County Board of Realtors and a realtor with David Endres Realty Group LTD, Scarsdale. Unfortunately, Port Chester seems to be stuck at first base.

"Downtown needs real revitalization before real estate can take off," Endres explains. "Intelligent development is needed to anchor more growth." And while there has been limited development here recently, residents and critics are divided as to whether it's a step in the right direction or freshly minted urban blight. The Waterfront at Port Chester, for example, a new complex of big-box stores, a movie theater, and restaurants, opened to decidedly mixed reviews. While some applaud the development, others say it blocks the waterfront and deride it for its hulking presence and unwelcoming, nearly windowless architecture.

Elsewhere, there's better news. A somewhat tidier Main Street and the Lifesaver Building, a condo/loft conversion of the former candy-making facility, where even one-bedrooms sell into the \$300,000s, are undeniable signs of life. Moreover, these signs of life are, quite possibly, the first intimation of something huge. As anyone who has been to Manhattan's Meatpacking District or Connecticut's SoNo (South Norwalk, for you non-scenesters) will attest, where there are lofts, historic buildings, and restaurants, there's hipster potential. Adjust those binoculars to take the long view, and it's easy



ON THE MARKET

PORT CHESTER



Neighborhood/location: Port Chester Village
 Listing price: \$329,500
 Square feet: 850
 Bedrooms/bathrooms: 1 (loft bedroom)/1
 Year built: 1900 (former Lifesavers building converted to condos in 1988)
 Monthly common charges: \$270
 Taxes: \$3,505
 Listing provided by: Frank Pagnani/HarborView Properties/(914) 834-8200



Neighborhood/location: Port Chester Village
 Listing price: \$495,000
 Square feet: 1,852
 Year built: 1915
 Bedrooms/bathrooms: 2/1.5
 Est. acreage: 0.12
 Taxes: \$8,563
 Features: Fenced yard, mint condition parquet floors
 Listing provided by: Ann Peck/Zinsner Real Estate/(914) 939-4336