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SQUARE FEET | THE 30-MINUTE INTERVIEW

Kenneth S. Horn

By VIVIAN MARINO

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Mr. Horn, 53, is the president and founder of [Alchemy Properties Inc.](#), a real estate development company that specializes in condominiums, including Lion's Head in Chelsea and Hudson Hill on West 58th Street. Among Alchemy's recent projects is the 95-unit Griffin Court on 10th Avenue and 53rd Street, which has one of the largest outdoor murals in the city.

Q What's the status of Griffin Court?

A Griffin Court will be finished the beginning to middle of August. We're doing some soft marketing now. We're working on about a dozen deals — we have four or five signed, and another six or seven that we're negotiating. It's a real interesting project, because the building is built around a 9,000-square-foot courtyard. Then we have the mural.

Q Tell me about the mural.

A It's on two walls facing 10th Avenue about six stories high — I believe it's larger than the "Crack Is Wack" mural by [Keith Haring](#) — and it depicts a combination of nature and buildings, abstract and concrete. The artist wanted to tie in Central Park, the water and the city. On one wall you have an image and on the other a reflection of the image.

We held an international contest and got proposals from 80 people, some as far away as Poland and Russia. Some of the entries were New York-centric, some comical, others bizarre. One depicted a pretty grotesque scene on the subway — not something you'd want to put up on a wall for the public to see. Another was a huge canvas of orange and in the middle was a bunny eating a carrot. We chose a local Brooklyn artist, Corinne Ulmann.

Q How involved was the painting part?

A We had to hire a separate company to paint it. They imprinted various parts of the mural on paper, then rolled the paper out on the wall and imprinted a charcoal outline. Two or three guys on a scaffold painted the colors in accordance with a directory.

Q *Like a paint by numbers.*

A We don't like to say that.

Q *What other projects are you working on?*

A We just got our temporary certificate of occupancy on the Isis on the Upper East Side, which has 32 units. We're in the presale stage, sold about seven or eight. And we just closed on a site on 15th Street, between Fifth and Sixth. We're building an addition for St. Xavier High School and a residential tower on top of it with 60 to 65 units.

Q *Are your new buildings green?* A We always do our best to make a building green. At Griffin Court, for example, the amount of vegetation there is probably 10 times the amount you need to get a green-certified roof. The problem is it's expensive to apply for LEED certification — I think it was like a quarter of a million dollars. In a larger building, the economies of scale work, but in a smaller building, when you're a small developer, it hurts.

Q *Do you dream of someday becoming a larger developer?*

A No, we really like our niche.

Q *How would you describe your business?*

A Our niche is high-end boutique condos, between 40 and 100 units. We handle everything: we act as a construction manager, we do the marketing and the development. We have about 20, 25 people working for us. We do all the contracts and sales out of this office so we're pretty hands-on.

Q *And your pricing strategy?*

A On some projects we can be competitive. The strategy is to look at the competition and try to build a better mousetrap and price it accordingly. We want to be in a position where we can sell out units as quickly as possible.

Q *Are you offering fewer concessions to buyers now?*

A Absolutely. A perfect example is a building we're finishing up — 462 West 58th Street. When we started to sell it in October '09, we were picking up mansion and transfer taxes and probably giving people close to 12 to 14 percent off asking. Today we are still picking up transfer and mansion taxes, and we're giving people maybe 1 or 2 percent off asking.

Q *You started out as a lawyer. Why the switch to developer?*

A I practiced real estate law for about three years, but realized the business end was more interesting. So ... what I ended up doing was start a gelato company.

I went to Italy, learned to make gelato and raised some money. I opened two stores in New York — Gran Gelato — and franchised two out in Long Island.

After I sold the company, I interviewed with a lawyer who said to me, “You don’t want to be a lawyer, but I have a client who would be perfect, combining your interest in real estate and entrepreneurial spirit.” I joined a guy who was a developer and worked for him for five years. I started my company in the ’90s, when the market was absolutely awful.