

# The Search

City Title Insurance Company

NEW YORK EDITION

January, 1955

## Real Estate Not for Sale

Take a walk someday down into the financial district and pause at the northwest corner of Broad and Stone Streets—88 Broad Street, to be exact. A mere snippet of real estate, it encompasses 15 feet, 11 inches on Broad, 94 feet, 6 inches on Stone. On it stands a small brick building with a coffee shop on the ground floor.

Not much, you would say, but this tight little parcel is one of New York's celebrated real estate "hold-outs". Because its owner refuses to sell and thus be absorbed, a promoter was forced to build his adjoining skyscraper "around" 88 Broad Street.

The present owner of the tiny lot is Peter Jay, a Havre de Grace, Maryland, horse breeder, who is loyally heeding—into the seventh generation—the admonition of an ancestor, Peter August Jay, who died in 1843, and set forth in his will the following: "The lot in Broad Street was purchased by my great grandfather in 1720 and was the first land owned by our family in America. At Rye repose the bones of my ancestors and of my dear wife and daughter. I earnestly request my sons not to sell or mortgage these lands."

The present owner has shown no inclination to break the link of a tradition which will pass on, eventually, to his son, Peter A. Jay, who is in Peru with the Peace Corps.

New York developers are constantly encountering such hold-outs. The RCA building on

Sixth Avenue went up like an architectural hero sandwich, flanked on one side by a bar in a four-story structure and on the other by a three-story building housing a drug store. Promoters of Rockefeller Center were unable to induce either owner to sell.

A year ago a group of investors finally succeeded in acquiring one of the properties for \$380,000. It belonged to descendants of a grocer named John F. Boronowsky, who bought it in 1852 for \$1,600.

An even longer hold-out was the three-story building and lot at 47 Third Avenue, corner of 10th St. It originally was part of the immense Peter Stuyvesant farm which had been whittled down through the generations until this sole parcel remained. With the death of the last in the family line, in 1956, the parcel was sold to the chemical house of Bendiner & Schlesinger which had been leasing the site since 1846.

Last April finally brought the sale of the 17-by-40-foot property at Broadway and 34th Street which had been held by the Robert S. Smith estate for 60 years. The tiny spot, occupied by a five-story building, is virtually enveloped by the R. H. Macy department store which had tried for years to buy it. European investors finally purchased the mighty mite which is assessed for a whopping \$800,000.

Passengers entering and leaving the West Side Airlines Ter-

минаl may occasionally drop into a bar at 450 West 42nd St., without realizing the owner of the tavern property, Mrs. Salvatore DeVito, has held out so persistently against selling that the terminal had to be built around the structure.

Sometimes a lessee can block absorption as readily as a property owner. The leaseholder of a lunchroom on the ground floor of a five-story building on 42nd Street near Third Avenue refused to budge, forcing the Durst Organization to build a tall office building around the old structure. Ironically, Durst is the owner who leased out the obdurate obstruction.

While some "hold-outs" are motivated by tradition, others hang on in hopes of swinging a better price. Some of the latter have come to grief when an adjoining improvement rocketed area values and taxes to a point beyond the earning capacity of the hold-out property.

Construction of one of the major buildings in the United Nations complex was delayed when the owner of a small tract demanded an astronomical price. He retreated, however, when it was casually suggested that the public service nature of the proposed building might induce the city to consider condemnation proceedings.

Charles M. Bayer, the researcher in this matter, said: "This was probably the first victory the UN ever achieved by bringing pressure on a belligerent."

Reproduced by the  
HENRY GEORGE SCHOOL  
50 East 69th Street  
New York 21, N.Y.