

New Orleans CITYBUSINESS

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Canal Street condos going fast



Developer Elie Khoury has sold more than 75 percent of the 229 high-end condos converted from the old Krauss Department Store building.

Units in the first new luxury condominium project built downtown since Katrina are selling briskly, developer Elie Khoury of KFK Group said.

Just months before Katrina hit, Khoury made headlines with plans to transform the century-old former Krauss Department Store into 229 high-end condos. Bordering the Iberville public housing development, the upscale 1201 Canal Condominiums project made waves, positive and negative, as a harbinger of gentrification.

Katrina and the federal Gulf Opportunity Zone Act bonds that came in its wake sparked the announcement of a number of high-end downtown residential projects. Three years later, Khoury's project is the only one that is done, and more than 75 percent of the units have sold for between \$200,000 and \$1.5 million for a penthouse, said the developer.

"We only have 30 left to sell," said Khoury, who has already reserved one of the building's penthouse apartments for himself.

Khoury gave partial credit for his success to the national recession and tight financing market.

"It's difficult to get things off the ground in today's market and as a result, we aren't really competing with any other units," he said.