

Featured Story

## Bucking real estate trends - Greater Cincinnati's hottest up and coming markets

By: Tanya Bricking Leach, 2/10/2009



Gloria

McConnaghy is the kind of shopkeeper who likes to run things herself, handpick her merchandise and get to know her customers.

She tries to give people something they can't get from a big, corporate retailer: unusual finds and personal service.

But in the 20 years since she opened Mahatma, an offbeat jewelry store in downtown's Carew Tower, McConnaghy has learned she has to keep moving to keep up with Cincinnati's hot spots.

That's how she ended up reinventing her store as [Little Mahatma](#) in Over-the-Rhine's Gateway Quarter, a neighborhood of century-old Italianate architecture that's transforming from a place once known for its poverty, crime and deteriorating vacant buildings to one that is attracting rehabbers, urban loft dwellers, arts lovers and boutique shops.

Despite the nation's economic troubles, city neighborhoods such as OTR and Oakley — places striking the right mix of rehabbed homes, specialty shops and restaurants — are bucking the country's trend of slow-selling real estate and actually thriving.

"We've been extremely busy," said Holly Redmond, a top seller with Huff Realty, who specializes in the Gateway district and lives on the north end of OTR herself.



Her office used to be closed on Sundays. Now she's squeezing in more weekend showings. She's been reaching out to targeted markets, such as bloggers, to promote the area and show it off. And people are more enthusiastic about the area than ever.

The Gateway Quarter alone, a district in OTR experiencing a large-scale investment in revitalization, accounted for 33 percent of real-estate sales in the city market last year, Redmond says.

"When times are down in other areas, people gravitate to being close to downtown," she said. "I think it's becoming a destination."



### **OAKLEY: Knows what it takes to be trendy**

Randy Young knows something about the dynamics that make a city neighborhood thrive.

The vice president of Aglamesis Brothers ice cream in Oakley has watched that area go through a revitalization for a decade. His family's century-old ice-cream parlor has

been the kind of place that makes a neighborhood square a place where people want to congregate.

For a long time, Oakley lived in the shadow of trendier Hyde Park, but it has come into its own. The neighborhood

is so desirable that Hamilton County Auditor Dusty Rhodes showed up at a community council meeting this past January to explain why typical home values there have gone up 17 percent since 2005.

Young says Oakley has what other neighborhoods inside the 'burbs want: homeowners who take pride in their property and shops and restaurants that draw young families together.

"We're getting more of the boutique-y type shops catering to this young crowd," he said. "You don't see boarded up storefronts or empty storefronts. I think the trend we are enjoying now will continue for some time."

### **DeSALES CORNER: Could this spot be next?**

So, if the secret to transforming an urban neighborhood from tired to trendy lies in developing the right mix of housing, retail and restaurants in a walkable area, can developers predict what the next Cincinnati hot spot will be?

Kathleen Norris, a Huff Realtor responsible for bringing a lot of business to the Gateway Quarter, has her eye on the DeSales Corner neighborhood of East Walnut Hills.

She attributes the success of the Gateway Quarter to having a clear focus attracting businesses and restaurants that appeal to young professionals. She sees the same kind of potential to blend architecture and ambiance in this small historic neighborhood northeast of downtown, between Mount Adams and O'Bryonville.

Housing development has been key to retail development in the Gateway Quarter and is helping drive it at DeSales as well, Norris said. DeSales has another 76 units of housing being developed on the corner of Madison Road and Woodburn with a target renter of primarily young professionals.



"People love to be able to live, eat and shop within their own walkable neighborhood," Norris said. That is the vision developers have for this area, as well.

But Phil Montanus, partner at Towne Properties, which is developing DeSales Flats (more housing aimed at young professionals), is not expecting instant gratification.

"We hope it's the next hot spot, but in this economy, it's going to take a little while," he said.

Housing sales in that area were down 40 percent last year. Seny Tapas Bar, an upscale restaurant

that opened in the neighborhood in 2007 already has shut its doors. Montanus looks down the street and sees the kind of unique shops and neighborhood pubs drawn to O'Bryonville that he'd like to see at DeSales.



### **OTR: Hopes soar higher for Gateway Quarter**

For betting folks, the odds are still on OTR's Gateway Quarter growing even bigger.

It already has seen an \$80 million revitalization with 138 market-rate condos and 12 new storefronts already finished on Vine and Elm streets and more than 100 condos, a dozen townhomes, more retail and nearly 200 apartments (including some for low-income residents) in the works.

Redmond, the real-estate agent who lives and works in OTR, sees the combined effort as a huge step in the right direction.

As a businesswoman, she can give clients lots of reasons to buy in OTR — from the tax abatement offered to secure parking, rooftop decks, exposed brick, green building elements, city views, fireplaces and walking distance to shops, restaurants and the arts.

But her other reasons are personal. She has seen crime decrease as the whole image of the neighborhood has been made over. When she has a client who is a single woman who has concerns about safety in the neighborhood, she can give out phone numbers of other single women in the neighborhood who might calm their fears. And when she walks down the street now, she sees lots of familiar faces because it is a neighborhood with a core.

Robert Maly, vice president of development for The Model Group, one of the Gateway Quarter

developers, is happy with sales figures. They've sold 30 units each year for the last two years, and their numbers suggest that there will be big demand for the next phase of rental apartments.



And developers are just as excited about the scale of the changes in OTR — everything from the School for Creative & Performing arts bringing new life to a block that was made up of a parking lot and blighted buildings to the makeover of a park that will be professionally managed after the renovations.

The overall number of properties being developed in a relatively short period of time is making these Gateway Quarter projects successful, said Brent Gillman, an agent with The Model Group. "The scale really brings connectivity to the neighborhood."

For McConnaghy, a risk-taking retailer who bought back her shop and found it a home there, it is a chance to be part of something she believes in.

"Two weeks after I moved is when the stock market crashed," she said. "But I'm very optimistic. I've seen bad times before."

In the Gateway Quarter, McConnaghy is hoping for more good times ahead.

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*Tanya Bricking Leach is a freelance writer who grew up in Greater Cincinnati and came back here to raise her family. Her work has appeared in The New York Times, USA Today, The Honolulu Advertiser, Newsweek, The Cincinnati Enquirer and Cincinnati magazine.*

Photography by [Scott Beseler](#)

The Gateway Quarter

Little Mahatma

Aglamesis Brothers ice cream in Oakley

DeSales Corner, view down Madison Ave

DeSales Corner, view SW corner

Gloria McConnaghy, Little Mahatma