

LUXURY PROPERTY GUIDE

BRAVE OLD WORLD

A dynamic new multibillion-dollar district, ritzy residences, haute hotels, and a torrent of tourism prove that Istanbul has never been just a museum city.

BY STACEY LASTOE

A project a decade in the making, the Dolmabahçe waterfront is now a fresh new city within a city.



THE COGNOSCENTI HAVE BEEN crowding about an emerging Istanbul for more than a decade. In 2010, it was named the European Capital of Culture and gained a rep among travelers and the media as the coolest city in Europe. In 2015, *National Geographic* called it the city of the future. The momentum was no mystery: Development was booming, and so was tourism. Its multilayered cosmopolitan atmosphere seemed like a model for growing capitals around the world.

Then, a series of events—terrorist attacks, political upheaval, a coup attempt—interrupted progress. This ancient embodiment of East meets West, home to iconic landmarks like the Blue Mosque and Hagia Sophia and roughly 15.5 million residents, was trapped on the dark side of the news cycle.

In that time, the pace of development slowed, says Serdar Bilgili, the Turkish magnate and chairman of BLG, whose real-estate private-equity arm is the only fund that specifically invests in Turkey. Now, Bilgili, a flock of luxury-hospitality giants, and international real-estate players are set on reversing Istanbul's trajectory and galvanizing its status as a mecca of modernity.

Their target was Galataport, a \$1.7 billion city within a city set along nearly a mile of revitalized waterfront that debuted earlier this year. Just across the Galata Bridge from Istanbul's historic city center and its famed Grand Bazaar—one of the world's oldest and perhaps most chaotic markets—Galataport is already a symbol of the city's old-meets-new aesthetic. Decidedly chill but no less vibrant, its restored heritage buildings such as

A vibrant social scene at Soho House Istanbul (above) and new condos at the Ritz-Carlton Residences Istanbul (right) add a heavy dose of modern luxury to the age-old metropolis.



SOHO HOUSE ISTANBUL, TURKISH AVENUE

"YOU SEE THE PEOPLE GETTING OUT OF THE NIGHTCLUB AT 5 A.M. AND THE PEOPLE GOING TO THE MOSQUE AT 5 A.M."

—Serdar Bilgili, CHAIRMAN OF BLG



The renovated waterfront promenade is a feast for the flâneur.

the Tophane Clock Tower, built in 1848, now stand beside modern low-rise office buildings, and brands such as Adidas sit alongside century-old artisan shops. Founded in 1864, the beloved Hafız Mustafa confectionery has moved to a new space bedecked with shimmering turquoise tiles, but the baklava remains unchanged. Innovative restaurants are arriving, and hundreds of thousands of square feet of premium office space have opened. A new Istanbul Modern Art Gallery designed by Renzo Piano Building Workshop adds a dose of culture, and the recently opened Peninsula Hotel gives visitors somewhere smart to sleep it all off.

"We have made a big impact on the city life," says Bilgili, who in 2008 developed the W Hotel Istanbul, the brand's first foray into Europe, now a fixture in the historic Akaretler Row Houses neighborhood. "There's no other city that really matches it anywhere in the world. I think we will see more investments in the next three or four years."

The new district is expected to draw 25 million visitors per year, including 7 million foreign tourists; roughly 1.5 million of them will arrive by cruise ship. To preserve views of the famed Golden Horn waterfront, BLG created the world's first underground cruise terminal capable of hosting three large cruise ships side by side. It's a high-tech feat of engineering, but its design concept is rooted in the ancient past, based on cisterns constructed during the Roman and Byzantine empires.

Prior to this massive capital injection, Galataport was mostly known for old warehouses and run-of-the-mill cafés. Not unlike Dumbo in Brooklyn, that intimate, industrial atmosphere was also part of the appeal. "In all of our projects, we never try to do buildings that are shiny and brand-new looking," says Bilgili of the Galataport project, as well as his company's transformation of the former U.S. Embassy, the 200-year-old Palazzo Corpi, into the city's first Soho House back in 2015. "Although part of the process involves bringing in new materials and systems to stay modern, we really try to create and respect the history."

Bilgili isn't alone in his push to preserve through innovation. Outside Galataport, a number of Istanbul's cultural-heritage sites have seen new life. In September, the Çini Hamam, a 500-year-old bathhouse designed by the great Ottoman Empire architect Mimar Sinan, opened following a 13-year restoration. In addition to the bathhouse, Çini now houses a museum and

rotating art exhibitions, with an events space on the horizon, says Murat Şehler, head of investments at the Marmara Group, which counts three hotels, a luxury residence, and a historic event space among its projects.

Founded in the 1960s, the Marmara Group is another real-estate powerhouse that is pumping cash into the city. Its latest venture, luxury extended-stay apartments called Marmara Çamlıca Residence, is on the Asian side of the city—a part of Istanbul known for being more affordable than its European counterpart. But Şehler says that Istanbul's reputation as a "cheap destination where people get their summer holidays cheap" is changing.

"It still caters to everyone because it's also a huge cultural and historical destination," Şehler says, adding that movement on the luxury side has accelerated in recent years. "There is also the demand you see from the high-net-worth individuals from the Gulf countries and from Russia in these last couple of years."

They're interested in pieds-à-terre as new developments like the Ritz-Carlton Residences, another BLG project, that launched last year. Housed in an architecturally significant building designed in the 1970s by Doğan Tekeli and Sami Sisa, the property dominates the skyline of the upscale neighborhood of Nişantaşı. Practical, pretty one-bedroom units start at \$1.6 million for about 1,200 square feet of space, while an 8,686-square-foot, six-bedroom penthouse is currently asking \$18.6 million.

The Ritz project was led by Tanju Özelgin, owner of TO Design Studio, with an interior concept by Mahmut Anlar's firm Geo.ID, a young studio with a largely luxury portfolio. Bathrooms feature mirage-quartz marble, Duravit bidets, and Axor sinks, while kitchens boast Gaggenau appliances and marble countertops. Closets are 108 square feet.

For travelers, five-star stays now include a Shangri-La, two Four Seasons properties (Bosphorus and Sultanahmet), a Mandarin Oriental, the Çırağan Kempinski Palace, and a Six Senses. But one of the most interesting openings for American visitors was the February arrival of the Peninsula Galataport. Its \$41,190-per-night top-floor suite is one of the city's largest at nearly 5,500 square feet. It comes stocked with a baby grand piano, multiple balconies, a screening room, a rooftop pool, and a private hammam.

So far, over a third of the Peninsula's guests are American travelers attracted to the hotel's "unique combination of luxury and heritage," says Jonathan H. Crook, the hotel's managing director. And, like never before, that winning recipe is what developers are imprinting across an ever-evolving Istanbul. Will it create the coolest, most diverse city in the world? Bilgili argues that it already has.

"You see a Sufi [Muslim] singing religious music next to a jazz club and next to a rock club," he says. "You see the people getting out of the nightclub at 5 a.m. and the people going to the mosque at 5 a.m." ●

Galleries, offices, and a W hotel occupy the historic row houses of Akaretler.

