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# The rise and rise of the factory conversion

How the industrial space went luxe

**Cathy Hawker**

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In Manhattan, the most densely populated borough of the most populated US city, where superprime properties stretch past \$5,000 per square foot, Eric Brown's young sons can ride their bicycles around the living room. Their apartment is in a converted warehouse in Tribeca, the city's once-industrial heartland and now the site of some of its most in-demand homes. Living in a more-than-100-year-old factory building feels "inspirational", says Brown, and it's not only about the cycling space.

"It's a piece of New York history, with wooden beams and steel bracing that has been utilised for dozens of different purposes over time," says Brown, co-founder of real-estate agency [Elevated Advisement](#). "I can see scuffs on the columns and marks where an artist threw in a nail to hang his canvas. It's the definition of character. There are former spice warehouses where you can still smell the cinnamon in the beams." He recently sold a seven-bedroom, single-floor loft in a former wrapping-paper factory, designed by Albert Wagner in 1887, with an asking price of \$17mn.



Chelsea Powerhouse, part of the Chelsea Waterfront scheme in London



The terrace of a five-bedroom apartment at Chelsea Powerhouse



A five-bedroom apartment, £5.25mn, at Chelsea Powerhouse

The evolution of industrial buildings into multimillion-pound luxury homes was a slow burn. For architect Mike Stiff, co-founder of [Stiff + Trevillion](#), [Andy Warhol](#) and his 1960s New York studio and social club The Factory were the “genesis” of the trend. By the late 20th century, loft living had become shorthand for an avant-garde lifestyle. Think of Glenn Close’s gritty Meatpacking District loft in *Fatal Attraction*; the flat instantly marked out her character as a modern urbanite flirting with danger, compared with the bourgeois “family man” played by Michael Douglas.

“It’s the old story,” says Brown. “Artists moved in, it became a cool place and prices rose. Today you have artists who bought lofts for \$30,000 in the ’60s living next door to \$15mn homes. It’s a crazy juxtaposition.” The same narrative is playing out from London – where a five-bedroom duplex apartment at [Chelsea Powerhouse](#), in the former Lots Road Power Station, is for sale at £5.25mn – to Sydney. Putting a price on the premium an industrial history commands, however, is “impossible”, says Simon Boulton, a partner in [Knight Frank’s Prime Residential Sales](#), because each building is so unique; “each one has a story”.



Haus Lademann in Mitte, Berlin © Christmann Projekt-Entwicklung GmbH

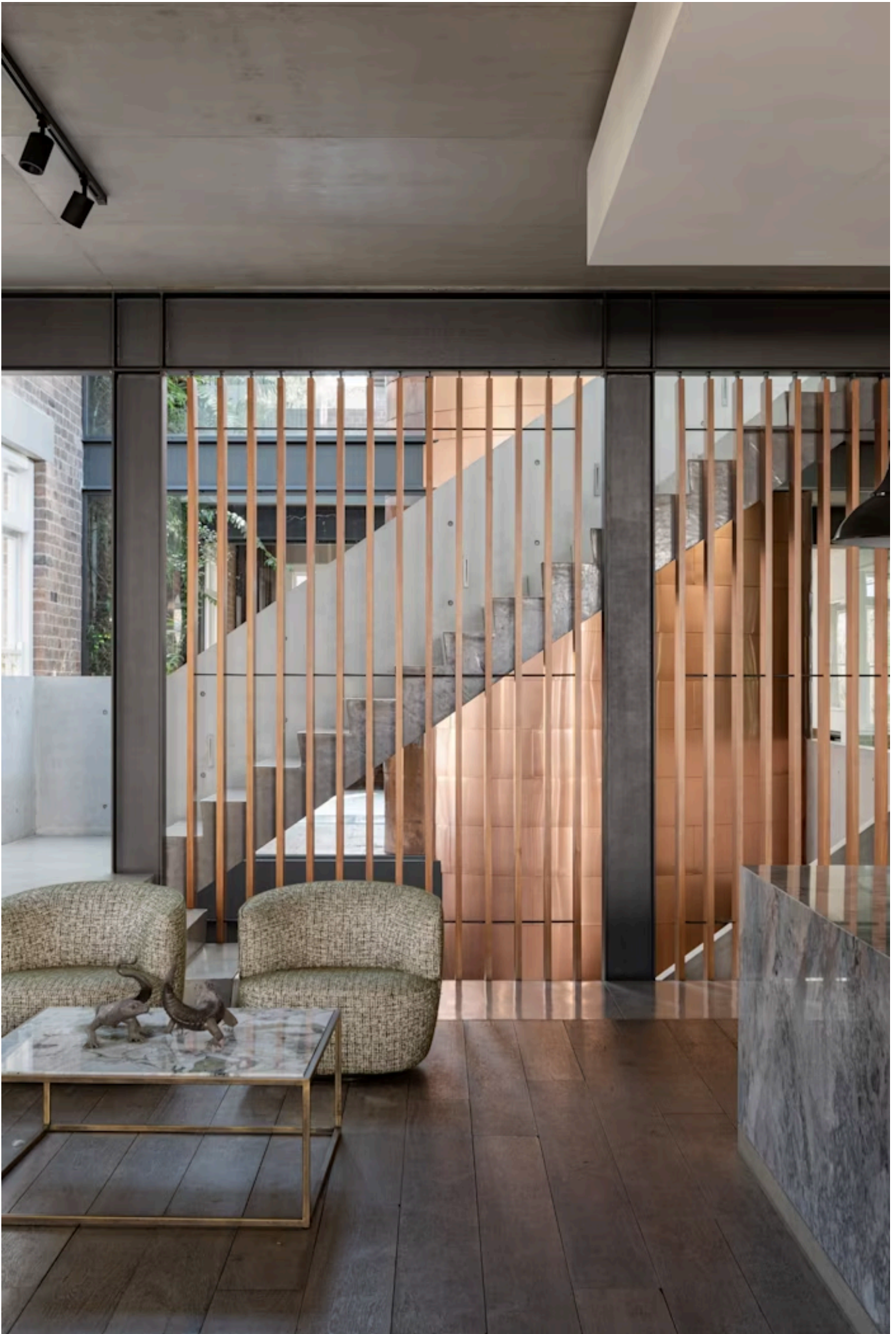
In Berlin, “buyers still see the industrial architecture as a reflection of the city’s identity and want something spacious and individual, but they also want high-quality bathrooms and kitchens, underfloor heating and top-level finishes,” says Aiane Linden, managing director at [Engel & Völkers \(E&V\) Berlin](#).

## Artists who bought lofts for \$30,000 in the '60s are next door to \$15mn homes

While industrial buildings in most major cities tend to cluster in specific areas – Tribeca and SoHo in New York; Shoreditch and Clerkenwell in London – in Berlin they are dispersed within residential neighbourhoods. Conversions are thus spread across prime neighbourhoods. E&V currently has two for sale. [Haus Lademann](#) in Mitte is an 1870s listed brick building that once housed a hardware business, where a triplex apartment is now priced at €2.95mn. In Prenzlauer Berg, an apartment in a [former button factory \(€425,000\)](#) has Prussian cap ceilings and exposed steel beams.



Pigeon Shed, a former soap factory in Sydney, A\$15mn (about £8mn)



Inside the Pigeon Shed conversion



The triple-height foyer of Pigeon Shed

As well as square footage, sustainability is a plus. Adaptive reuse of existing buildings is acknowledged by the [World Economic Forum](#) as a “powerful strategy to reduce waste and cut emissions”. Renovating an existing building emits 50-75 per cent less carbon than constructing the same building anew, while diverting up to 90 per cent of materials from landfill.

“When these conversions were first done [in the '60s and '70s], people didn't consider embodied carbon, but thinking about the efficiency of the building is now an important part of the puzzle,” says Becca Roderick, interior design executive director at [Morris Adjmi Architects](#). The firm has just unveiled [67 Irving Place](#), a Gramercy Park transformation of a former printing works into 11 luxury apartments, priced from \$7.1mn.



A render of 67 Irving Place, New York, where 11 apartments will be priced from \$6.85mn



A render of an apartment at 67 Irving Place © Courtesy of Hayes Davidson

Repurposing existing buildings is the USP of London-based Stiff + Trevillion. Its headquarters are housed in a converted wallpaper factory, while co-founder Stiff owns a property in a former Christmas decoration factory. The practice's focus on "putting the existing fabric first" answers eco-conscious concerns – but also aesthetic ones. "I couldn't live in a half-timbered Cotswolds cottage," says Stiff. "I like living in a building with heritage that feels part of the fabric of the city."



Manifattura Tabacchi in Florence, Italy © Stefan Giffthaler

In 2024, he moved into an apartment at [Manifattura Tabacchi](#), a 1930s former tobacco factory in Florence, where one- to three-bedroom properties are priced between €356,000 and €786,000 through [Savills](#). “It has a good balance between industrial design and contemporary insertions, Tuscan terracotta tiles and chestnut beams alongside steel, concrete and glass,” says Stiff.

London architectural interior design firm [Echlin](#)’s approach to The Dairy – a development of eight apartments in an 1860s building in Notting Hill, coming to market next month priced from £1.7mn – is to “elevate the classic hallmarks of Crittall windows, metallic elements and raw timber, to make them more elegant and refined”, says creative director Samuel Pye. “We have to embrace the features, whether that’s beams and metal columns or historic cogs, hooks and winches.”



Brett Mickan and Nick English's home in a former dye factory in Surry Hills, Sydney



The Dairy, an eight-apartment development in Notting Hill © Pierce Scourfield

Getting the balance between old and new right can prove financially advantageous, as interior and theatre set designer [Brett Mickan and his husband Nick English](#) discovered when they took on a floor of a former dye factory in Sydney's Surry Hills. "The challenge was irresistible to me," says Mickan of the space that was originally converted to residential in the 1980s. The couple bought the property in 2019 for less than A\$1mn (about £529,000), spent around £400,000 on renovations and sold it for more than £1.5mn last year.

A new offering in the Australian capital raises the bar further. Pigeon Shed, a 1914 warehouse converted in 2018 by [MCK Architects](#), features a triple-height entrance foyer and guest bedroom hidden behind wooden shelving, and is for sale at A\$15mn (about £8mn) through [Bresic Whitney](#).

Before Mickan and English sold their home, they took full advantage of an aspect of loft life that Warhol made legendary. They packed 150 guests into the property for a "farewell to the factory" party. The loft might be ever more luxe, but it hasn't lost its cool.

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