

## An up-to-the-minute report on Manhattan's Downtown Luxury Real Estate market.

Other Real Estate Reports provide information that may not be current enough to fully assess the state of the market: that's where we come in. We are brokers actively working the Downtown New York Luxury Residential Real Estate market on a daily basis, giving you an insider's perspective to understanding the market as it is...today. While other reports focus on average, we choose to focus on luxury: And luxury comes in many forms. Our specialty is Downtown New York Luxury.

Presented by Leonard Steinberg & Hervé Senequier (Douglas Elliman): the luxuryloft team.

## LUXURY HEADLINES – *firsthalf, 2004*

### *Is the market slowing?*

From our perspective, we definitely see the market changing. Several asking price reductions and properties coming back on the market are the first indicators. This could be for several reasons, including *rising interest rates*, buyer's concerns of the pricing levels (a wait + see market?) or merely the *Summer Season* which is traditionally slower (always a good time to buy!). We believe we are entering a *more normal market* with a better balance between buyer and seller. With *rising inflation* an almost certainty, Downtown Real Estate is a safe bet. The luxury rental market is experiencing a surge in demand, a decline in inventory and escalating pricing. And trendy buyers, or young-thinking buyers want to be Downtown. Sale prices still appear to be on an upward trend, as average asking prices exceed sale pricing.

### *Size isn't everything...in New York*

In New York, the quality of an apartment determines whether it is a luxury product or not....and there are many smaller properties that have sold recently to support this claim. Sometimes a property that is 850sf in size, with exquisite finishes, or something special about it, can sell for \$ 1,2million plus: at \$ 1,300 plus per square foot, that's luxury! Downtown, anything selling above \$ 1,000/square foot has to deliver the goods.

### *\$ 1,000/square foot? That's cheap!*

When the \$ 1,000/sf price was achieved downtown, it was considered radical, almost exorbitant: Times have changed. \$1,000/sf mostly buys you average, well finished out condominium space possibly with a doorman. In the luxury category, the price per square foot has risen considerably in the past 6 months, as much as 25% in specific instances (especially new developments). When buyers are spending up to \$ 500/sf to renovate their apartments, this is easily explained. But, it is only the exceptional that achieves pricing of \$ 1,300+ per square foot, and the area is not as important as it used to be, whereby properties in SOHO or Chelsea may sell for the same price....depending on the property itself.

### *Downtown Luxury: The bar keeps rising...*

The expectation of luxury keeps rising: Sub Zero fridges are secondary to Traulsen; La Cornue stoves make Viking's appear inexpensive; Waterworks bathrooms are the standard, custom everything is the trend. Contemporary and modern styling is virtually eliminating traditional. Home technology systems cost the equivalent of College Educations.... Plasma televisions are no longer a novelty: how many you own determines your status level. The expectations over the past few years has been influenced in many ways by Uptown buyers entering the area.



## Featured luxury loft for July 2004:



### 58-60 GREEN STREET – CONTEMPORARY SOHO MASTERPIECE

No property compares to this overwhelmingly chic, authentic, full-floor condominium loft: A work of art, to be precise. From the painstaking millwork detailing throughout, to the sophisticated mechanicals, no expense has been spared in creating a home un-paralleled in quality. Woods are blended with stone surfaces and aged glass in a harmonious symphony that enthralls the senses and enthuses the soul. A sumptuous Spa-style Master Suite invites you to unwind...the wood and glass enclosed Library inspires.... A super-yacht style guest suite impresses and the kitchen is worthy of gourmet excellence. With about 4,000sf of living space, a wood-burning fireplace, 3 bedroom suites, and very low monthlies that would allow the addition of a doorman, this is truly what SOHO fine living is all about. Web ID# 593922

Price Upon Request.

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We have 5 classifications of luxury properties:

## MINLUXE

Although smaller, luxury is not compromised, with a high cost per square foot, priced between \$ 1 and 2 million.

# of properties:	101 ***
<b>Average price:</b>	<b>\$ 1,418million (\$1,056/sf)</b>
Average Size:	1,337sf
Factoids:	* This market is growing, providing manageable luxury, often in 1 bedroom layouts * 66% Condominium * 31% New Developments, many selling above the average pricing * 79% with Doorman

## MIDLUXE

Mid-sized luxury properties, priced between \$ 2million and \$4million

# of properties:	301 *** (32% Greenwich Village, 34% Tribeca, 15% SOHO)
<b>Average price:</b>	<b>\$ 2,634million (\$900/sf)</b>
Average Size:	2,922sf
Factoids:	* 326 properties currently on the market for sale * 78% Condominium * 70% with Doorman

## ULTRALUXE

Larger, luxurious properties priced between \$ 4million and \$5million

# of properties:	21 *** (52% Soho, 19% Tribeca, 19% Chelsea)
<b>Average price:</b>	<b>\$ 4,48million (\$1,069/sf)</b>
Average size:	4,188sf
Factoids:	* 81% Condominium * 76% with Doorman * 43% with outdoor space
Highest price:	\$ 4,995million (3,000sf+ West Chelsea Condominium penthouse with terraces)

## MEGALUXE

Large, exceptional properties, priced over \$ 5million.

# of properties:	16 *** (44% in Tribeca, 37% Greenwich Village)
<b>Average price:</b>	<b>\$ 6,709million (\$ 1,333/sf)</b>
Average size:	5,030sf (excluding outdoor space)
Factoids:	* 100% Condominium * 87% with Doorman * 94% with outdoor space * 93 properties currently on the market for sale, with average asking over \$ 1,600/sf.
Highest Price:	\$ 12,5million (Duplex penthouse with wrap terraces in Doorman bldg.)

## HOUSELUXE

Single family townhouses are a rare breed in the Downtown market.

# of properties:	10 ***
<b>Average price:</b>	<b>\$ 5,519million</b>
Average width:	22feet
Factoids:	Greenwich Village leads for the most high-priced townhouse sales

## LUXURY *NEWS*

\*The **Richard Meier Towers** in West Greenwich Village set a new standard for pricing in the Downtown luxury market. With the addition of a third tower on Charles Street, the pricing has risen to over \$ 2,000/square foot (although the 3<sup>rd</sup> Tower is finished space).

\*With the construction of the extraordinary Gwathemy/ Siegel Tower on **Astor Place**, pricing goes over \$ 2,000/square foot....certainly a record for the area.

\*Finished Space is winning over Raw or White Box (unfinished)space....those willing to do the work are in the minority, and premium prices are being paid to avoid the stress and time consumption of a renovation.

## LUXURY *HOTSPOTS*

**SPICE MARKET:** This Super-happening Jean Georges Vongerichten Exotic Eastern masterpiece boasts an interior with authentic artifacts and furnishings in the heart of the Meatpacking District. Tel: (212) 675-2322

**MEGU:** Breathtaking Tribeca Japanese-style restaurant with equally breathtaking prices ... but worth it if you want superb cuisine in an inspiring environment. Tel: (212) 964-7777

## LUXURY *TRENDS*

Modernist ... concrete... ashen finished woods .... high technology everything ... spa-style bathrooms ... custom-built tubs .... kitchens that are finished out to look like furniture, blending into the entire space ..... in-floor lighting .... Electronic glass ... Gaggenau ... stainless steel .... White ..... cashmere throws ..... art as focus .... dual dishwashers .... exotic wood grains .... the bed as sanctuary... designed lighting ... high tea ... floor-to-ceiling glass ... organic... hybrid cars

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Leonard Steinberg and Hervé Senequier are leading brokers specializing in the Downtown Luxury Real Estate Market. For more information about their services: [www.luxuryloft.com](http://www.luxuryloft.com)

\*\*\*While every effort has been made to provide accurate, up-to-the minute information based on closed *and* contract-signed transactions, the information is provided subject to errors, omissions and changes. Our criteria for luxury may be different to other's. Some prices are estimates only as they have not closed yet. For 100% accurate information, please consult a legal professional to perform the necessary due diligence.

**Douglas Elliman**