

The 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: we offer an alternative. We are brokers working in the 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.

Presented by: the LUXURYLOFT team Leonard Steinberg, Hervé Senequier, Lois Planco & Samantha Behringer



LUXURY HEADLINES—June 1, 2005

TOP 10 REASONS WHY YOU SHOULD BUY.....(not kidding!)

These points are for those wishing to buy a home to live in. A message to Gamblers + speculators: GO TO VEGAS!

- 1) MORTGAGE RATES ARE REMARKABLY LOW (DO get a fixed rate mortgage....it's a great investment!)
- 2) REAL ESTATE RIDES INFLATION: even if real estate escalates at the rate of inflation of about 3% annually, a \$ 1million apartment will cost \$ 1,34million in 10 years. If inflation rises to 5%, that \$ 1million apartment will cost \$ 1,63million in 2015....
- 3) TAX DEDUCTIBILITY: You cannot tax deduct your rent, and those rent checks do not build equity. But you can deduct real estate taxes and mortgage interest....
- 4) STEP INTO THE ELEVATOR. If you are a first-time home buyer, you have to get in the elevator to ride to the penthouse.... Even if the market were to drop by 25% in 3 years, and you sell your \$ 1million apartment for \$ 750k, the \$ 3 million larger apartment should cost \$ 2,25m (25% less too), so look at the dollars...
- 5) REAL ESTATE VALUES NEVER PLUNGE..... unlike stocks, prices of Real Estate adjust slowly.
- 6) BUY QUALITY: quality real estate always drops less in value than lesser quality properties. Being able to identify quality is critical: and the key is a really good, experienced, well-informed broker.
- 7) DON'T BUY INTO HERD MENTALITY: Everyone said real estate was DEAD in New York after 9/11..... You have probably read hundreds of articles about the BURSTING BUBBLE, the CRASH... these articles date back to 1996.....almost 10 years ago: We know of people who have waited since 1996 for this impending doom, but their fate was sealed in 1996.... And they have not only lost a fortune in equity building, but they have sacrificed the joys of owning their own homes.
- 8) ASK YOURSELF WHY: Why do you work so hard? To live in a crummy rental for the rest of your life waiting for a bargain to emerge? What if the asking price is low, but the mortgage rates are high? A \$ 1million home financed to-day at 6% costs the same monthly as a \$ 731,000.00 home with a 10% interest mortgage... And yes, a 27% savings is good, but if it costs basically the same to purchase 3 years later, and you have wasted a few years in that crummy rental....ask yourself WHY? And in those 3 years waiting, what about inflation, equity building and tax deductions? Would you install a BOFFI kitchen into a rental?
- 9) BEWARE OF AVERAGES: There is no such thing as an average apartment! What exactly is the average apartment in New York? Comparing the price per square foot of a Richard Meier designed apartment to a generic high-rise apartment is like comparing a WARHOL to a DA VINCI.... both are outstanding within their classification, but they will always be very different products and they'll be priced very differently.
- 10) OWNERSHIP HAS ITS PRIVILEGES. New York is a remarkable, vibrant, safe city....and it's an island. If you think New York is expensive, visit London, Hong Kong, Miami, San Diego....there really is only one New York: Owning a home is part ownership of the city as well as the square footage you call home.

JUNE 2005 FEATURED PROPERTIES

PRIME GOLD COAST GREENWICH VILLAGE TOWNHOUSE - 6 EAST 10TH STREET

Superb original details abound in this remarkable, wide townhouse located steps off 5th Avenue in the heart of the Gold Coast of Greenwich Village. Currently configured as an owners triplex with multiple offices and rental apartments, this house boasts the additional distinction of being able to be delivered completely vacant if so desired. Seldom, if ever, does the opportunity arise to buy a property of this caliber. \$ 10million WEB ID#: 659212 →



GREENWICH VILLAGE GOLD COAST FULL FLOOR - 40 West 13th St.



Greenwich Village "Gold Coast" this 3 bedroom loft is a unique opportunity to own what qualifies as Prime Real Estate. The elevator opens into the private full floor, 3,000 square feet in size: Soaring ceilings, hardwood floors & large windows with tranquil, treed exposures are the 'bones'....the extraordinary amenities & millwork details enhance the space to its best. An enormous glass-encased wine cellar is a Connoisseur's dream; A superb Boffi kitchen is its perfect companion. \$ 3,5 million

126 WEST 22ND STREET – 9S

LOFT IN SOHO'S MOST EXCLUSIVE BUILDING – 76 Crosby Street



Nothing compares to this ultimate 1 bedroom, 2 bathroom, 2,500sf+ Ultra-loft, resplendent with 15ft wide gas fireplace (unlike anything anywhere!) and an international esthetic that takes it to a whole new level. Poggenpohl did the kitchen, Waterworks did the bathrooms: The ceiling height, volume and columns are all authentic pre-war SOHO at it's best, in a 6 unit, celebrity studded 24hr doorman Condominium, the most exclusive building of it's kind. Offered at \$ 3million



Super-Chic 2,200sf South-facing Loft in gorgeous Chelsea Pre-War Condo magnificently renovated to true perfection. CentralAir, Low monthlies and magnificent millwork. \$ 2,25m

LOWER FIFTH AVENUE FABULOUS! - One Fifth Avenue.

10d

WEB ID# 568918



The best 2 bedroom, 2 bathroom layout in the building one of Lower Fifth Avenue's Landmark properties. Located on West corner, with superb exposures North up Fifth Ave, and West, this elegant home awaits your touch to transform it into the prize apartment it can be. Original windows are some of the pre-war details that sets this apart from all others. \$1,565million

For more information on these properties, please contact: Leonard Steinberg Tel: (212)727-6164

Prudential **Douglas Elliman**

THE JUNE 1, 2005 REPORT: Our 5 classifications of luxury property:

MINILUXE

Although smaller, luxury is not compromised, priced between \$ 1 and 2 million.

of properties: 144
Average price: \$ 1,527m (\$1,076/sf) UP
Average Size: 1,423sf
Factoids: * Pricing even, sizing down. # of units traded down.....more inventory.

MIDLUXE

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

of properties: 116***
Average price: \$ 2,68 million (\$1,161/sf) UP
Average Size: 2,326sf
Factoids: *Mostly new conversions and new developments, delivered in mint condition
* Rising inventory, although moderately

ULTRALUXE

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

of properties: 14 *** UP
Average price: \$ 4,571million (\$1,584/sf) UP SIGNIFICANTLY
Average size: 2,859sf DOWN
Factoids: * 78% Condominium
* 50 GRAMERCY PARK NORTH setting records for the area. High services (+ monthlies) appeal.
* Apartments size averages fall sharply.....less space for the money. Cost per square foot up.

MEGALUXE

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

of properties: 15***
Average price: \$ 6,75 million (\$ 2,166/sf) UP SIGNIFICANTLY
Average size: 3,426sf (excluding outdoor space)
Factoids: * 90% Condominium
* 165 Charles PENTHOUSE sets the record at over \$ 4,000/sf....a record for DOWNTOWN
* Majority with outdoor space/penthouse

HOUSELUXE

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

of properties: 1***
Average price: \$ 5,5million
Average width: 22 feet
Factoids: A CONTINUED, SERIOUSLY LOW INVENTORY. Several over-priced houses have sat on the Market now for many months, with intense buyer resistance. When priced correctly, multiple bidders are expected.

LUXURY *HOTSPOTS*

HONG KONG STATION , super-Chinese cuisine 128 Hester @ Bowery Tel: (212) 966-9382

LUXURY *FINDS*

SUB ZERO, the leading domestic refrigeration brand has introduced a new series of industrial, Traulsen-esque line of fridges, without the Motor noise often associated with them.....Joan Crawford would have loved the see-through doors! www.subzero.com



APPEL'S SOGNO HYDROTHERAPY TUB is another Joan Crawford 'must': it cleans itself! And so it should, for a mere \$ 15,000.00.....tel: (800) 221-9840 Now that you've had some time to absorb the price, how about a honed solid slab travertine marble tub priced at \$ 26,000.00...



.....or how about KALLISTA'S Copper tub for a paltry \$ 57,750.00
www.kalista.com



.....or what about a FOUR POSTER TUB from Baldaluz at www.aquamass.com



the **LUXURYLOFT** team
REAL ESTATE SOLUTIONS



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Leonard Steinberg & Hervé Senequier, Samantha Behringer & Lois Planco are consistently Douglas Elliman's and the Industry's leading brokers specializing in the Downtown Luxury Real Estate Market.... highly regarded by both their peers and their clientele. For more information about our unique full service brokerage, view: www.luxuryloft.comor call (212)727-6164 to learn how you can benefit from our **REAL ESTATE SOLUTIONS**

***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.

Prudential **Douglas Elliman**