



Will Raised Closing Taxes Impact The Luxury Markets?

A new wave of higher closing costs in the form of raised mansion and transfer taxes kicks in on July 1, 2019. No-one knows the effects this will have on the luxury markets...yet. The first half of this year saw a drop in sales volume in the luxury sector of over 12%, partially softened by a wave of closings accelerated to close before the new taxes kicked in. Numerous big-ticket closings - including those at 56 Leonard Street, Greenwich Lane, 71 Laight Street (we did 3 of those sales in the first half of 2019), 212 Fifth Avenue, 150 Charles Street and 70 Vestry Street - support the argument that the very high end of the market is performing well, mirroring the overall economy in general. So how will these raise taxes impact our markets?

* For a sale just under \$25 million, the new taxes will add about \$725,000, certainly not chump-change. Yet \$20m+ sales in Manhattan account for fewer than 1% of all sales. Most who can afford an apartment at this price point should be able to offset these additional costs via the 2018 lowered tax rates as well as the numerous tax loopholes this audience benefits by.

* For a \$4 million property, the new taxes add just \$26,000. The vast majority (over 85%) of sales in Manhattan are under \$4 million, and those under \$2m (almost 74% of all transactions) will barely be affected by these raised taxes.

* I suspect that at first the added closing costs could become part of a price negotiation, just the way buyers and sellers negotiate on who pays a building flip tax. After that the 'new normal' will set in for most properties.

Do I like these new taxes? NO! The raised taxes are designed to boost revenues to fund MTA infrastructure improvements. It would be far better for all of us - especially New York Politicians - to fight the Federal Government on one of the biggest rackets: 10-15% of all federal tax dollars paid by New Yorkers are siphoned off and re-distributed (socialist style perhaps?) to other poorer states...or states that boast low or no state taxes. These states are the beneficiary of our labors, at OUR expense. We should FIGHT BACK! The Federal Government is NOT spending nearly as much on New Yorkers as they are contributing. DISGRACEFUL!



347 Bowery St
\$7,000,000

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DID YOU KNOW?
Less than 1% of all sales in Manhattan are valued over \$20 million. In Manhattan, being a 1-percenter requires a \$20m home?

HUGE Penthouse with Private Terrace and Rooftop Terrace

**161 Hudson Street
\$16,000,000**

Located in the heart of Tribeca this exquisite Monique Gibson-designed and mint-move-in light-flooded duplex corner Penthouse with private terrace, roof deck and panoramic views blends the grandeur of loft living with apartment practicality.



**260 West Broadway, Tribeca
\$7,000,000**

With almost 45 feet of south-west-facing, sunny frontage overlooking Tribeca Park with its majestic London Plane trees, this centrally located authentic 5-bedroom loft with massive arched windows used to be home to the recording studio of world-renowned musicians including Earth, Wind & Fire, not to mention some of the most notable names in fashion. Tall ceilings further enhance the majestic pre-war architectural details that abound throughout this home.



**43 West 13th St, Greenwich Village
\$5,000,000**

Nestled on one of the most desirable treed Central Greenwich Village Gold Coast blocks, moments from Union Square, this massive loft - almost 5,000sf gross in size - with soaring 14ft ceilings awaits your touch. Bring your architect or designer and create a dream home. At just about \$1,000/sf this price is impossible to replicate, certainly not in a location of this caliber. (VIRTUALLY STAGED)

For more information or to schedule an appointment please call 646.780.7594



34 East 30Th Street, Nomad - Wide Loft
\$2,500,000

This authentic full floor loft provides an incredible opportunity to create your dream home in a boutique NoMad pre-war building moments from Park Avenue South, Madison Square Park and Dover Street Market. (Virtually Staged)



151 West 17Th Street - Penthouse - Chelsea
NEW PRICE: \$6,000,000

Offering close to 80 feet of south-facing, sun-bathed frontage, this impressively proportioned 3-bedroom penthouse is offered for sale for the first time since the building was completed.



141 East 88Th Street- Upper East Side
Price Upon Request

COMING SOON. Perfect 3-bedroom duplex penthouse in a prime, newly converted full service condominium with multiple terraces, superb light, open views in mint move-in condition. Downtown meets uptown in the best possible way.



251 West 19Th Street - Chelsea
\$3,000,000

This 1,800sf+ loft in a doorman condominium building that has been completely re-furnished awaits your touch: Architect plans are already in place to convert this into a 2-3 bedroom showplace with soaring 11ft ceilings.



New! 53 North Moore St - Tribeca - +/-4,000Sf
\$6,750,000

These two large apartments have already been partially combined on the most desirable cobblestone block of Central Tribeca with windows facing East, North and West. Rarely does a loft apartment of this scale become available in this location and building that easily accommodates 4-5 bedrooms.



New! 995 5Th Avenue - Upper East Side
\$10,000,000

The Stanhope: a rare 4-bedroom pre-war fully renovated (in 2015), mint, move-in Cond-op (Co-op with condominium rules) designed in 1926 by Rosario Candela - this landmark building is positioned directly across from the Metropolitan Museum of Art and Central Park, enjoying views over both.



560 West 24Th St, Penthouse - West Chelsea

\$14,000,000 / \$40,000 per month

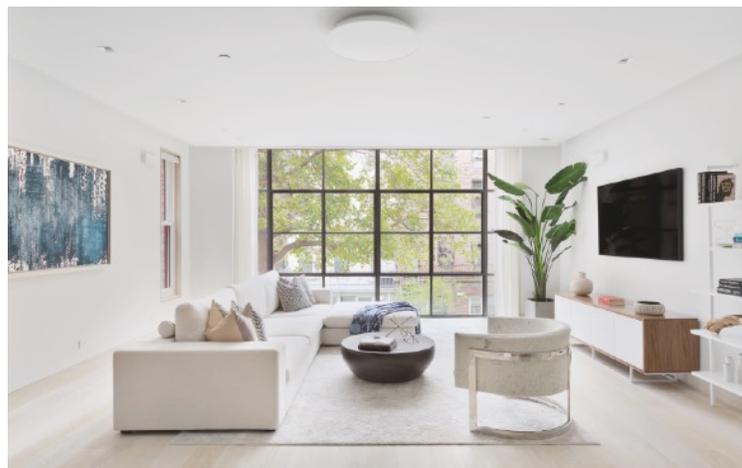
Classic Penthouse designed by AD100 architect Steven Harris: Perched above a brand new elegant limestone-clad building with bronze-framed windows is this exceptional duplex penthouse with multiple terraces that epitomizes grace and elegance, moments from Hudson Yards and the Highline and Hudson River Parks.



166 Duane St - Tribeca

\$7,450,000

Located on possibly the most charming corner of TriBeCa, directly on the lovely Duane Park, this beautiful loft residence spreads over 3,600SF, offering 11' ceilings and impressive proportions in every room.



315 East 18Th St - Gramercy - Townhouse

\$12,000,000

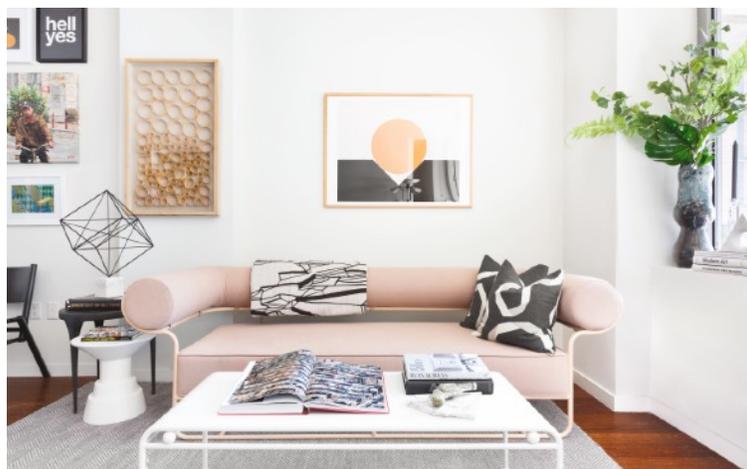
nestled on a picturesque block, moments from Gramercy Park, is a recently completed Greek revival style gut-renovated townhouse that has been superbly designed and re-constructed to the most exacting standards to meet the demands of a modern lifestyle.



New! 244 West 23Rd St - Chelsea

\$1,250,000

RARE! This pre-war loft penthouse is perched above vibrant West Chelsea with hundreds of the world's great contemporary art galleries at your doorstep...not to mention the glimmering Hudson Yards skyline as your view to the north through over-sized arched windows.



444 West 19Th St, 502 - West Chelsea

NEW PRICE: \$1,300,000

Located in the heart of Chelsea moments from the High Line & Hudson River Parks, this bright, one-bedroom, south-facing apartment with a balcony features floor-to-ceiling windows that frame bright south-facing exposures.



160 East 22Nd St, 19C - Gramercy

\$2,850,000

Hovering above the heart of the Gramercy Park Neighborhood, residence 19C is an almost 1,300 square foot 2 bedroom, 2-bath condominium home in a new, full-service building with inspiring open city views that include Gramercy Park itself.



Unobstructed Central Park Views

**870 Fifth Avenue
Upper East Side
\$10,950,000**

This brand new, never-lived-in beauty is perched on a high floor with over 55 feet of frontage overlooking iconic Central Park. A recently completed extensive renovation by a leading designer has been performed to the most exacting standards to deliver what has to be one of the most beautifully executed contemporary homes on the Upper East Side.

DID YOU KNOW?
Will LIBRA -
Facebook's new crypto-
currency - be the new
way to buy a home?
We doubt it!



**22 Mercer Street, 2D - Soho
\$4,375,000**

Superbly outfitted 2-bedroom, 2.5 bathroom designer loft is grandly scaled with over 2,392 square feet of living space and features a wood-burning fireplace and a small balcony, the only one of its kind in the building.



**New! 40 East 67th Street - Upper East Side
\$13,995,000**

Superbly positioned moments from Central Park, this magnificent, 20-foot wide townhouse with an elevator is located between Park and Madison Avenues, in the most convenient and fashionable part of the Upper East Side.

For more information or to schedule an appointment please call 646.780.7594



397 West 12Th St, 3 - West Village
\$13,995,000 - NEWLY PRICED!

With the equivalent space of a large townhouse, this south-facing, sun-kissed duplex with exposures in four directions and almost 60 feet of frontage onto 12th Street simply has it all.



25 Barrow Street, West Village
\$12,000,000

Built in 1826, this beautiful four-story 22' wide Federal brick townhouse is on a 25' wide lot and is part of the Greenwich Village Historic District.



347 Bowery - Noho/East Village - Immediate Occupancy

BRAND NEW - 3-BEDROOM, 3.5-BATHROOM DUPLEX - \$7,000,000

Mini-Luxe

Volume **JUMPS**, Pricing rises

Smaller luxury properties between \$1m and 2m

135 properties signed and closed
Average Price: \$1,455m \$1,572/SF
Average Size: 931sf

UP compared to last report.
UP compared to previous month.
UP compared to previous report.

Our analysis: Sales volume improved and pricing slipped back a bit.

Midi-Luxe

Volume rises again, Pricing slips slightly as volume rises

Mid-sized luxury properties between \$2m and \$4m

108 properties signed and closed
Average Price: \$2,892m \$1,758/SF
Average Size: 1,704sf

UP from last report.
DOWN compared to previous month.
UP from previous report.

Our analysis: Volume improved again, and pricing slipped just a little.

Ultra-Luxe

Volume remains even, Pricing slips but remains above \$2,000/sf

Larger, luxury properties between \$4m and \$5m

21 properties signed and closed
Average Price: \$4,452m \$2,048/SF
Average Size: 2,171sf

EVEN from last month.
DOWN compared to previous month.
UP from previous report.

Our analysis: Very healthy sales volume and pricing remains solid.

Mega-Luxe

SOARING volume in time to avoid tax hike, pricing remains even

Large, exceptional properties over \$5m, many with outdoor space

59 properties signed and closed
Average Price: \$8,946m \$2,798/SF
Average Size: 3,219sf

UP from last report.
EVEN compared to previous month.
EVEN from previous report.

Our analysis: Pricing remains even around \$2,800/sf. Super-strong sales volume fueled by June 28th deadline. As of July 1st, closing taxes rise and at this level the numbers are meaningful.

House Luxe

Townhouse sales volume **STRONG**.

Larger, single family townhouses

9 properties signed and closed
Average Price: \$10,777m
Average Width: 22 feet

UP compared to last report.
UP compared to previous month.
UP from previous report.

Our analysis: Townhouses awakened from their slumber. Most buyers saved \$100k+ due to rising closing taxes that kick in July 1, 2019.



Just 1 Hour From Manhattan Perched Directly On Lake Waccabuc, Set On Over 10 Acres With A Guest Cottage, This Newly Built 5-Bedroom 6,000Sf Beauty Is The Perfect Hampton's Alternative.
 189 Mead Street, Waccabuc
NEW PRICE: \$2,985m

Renovation Angel

Did You Buy A Brand New Apartment But Want A Different Kitchen Or Bathroom? Renovation Angel Comes To Your Apartment, Provides A Professional Appraisal Of Its Value (For Irs Use!) And Then You Get To Design And Build Out Your Dream/Kitchen And Bathroom While Your Old One Is Expertly Removed And Re-Sold For Charity!
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Compass

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DID YOU KNOW?
Mortgage Interest rates are now at levels similar to those of November 2016.

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