

# LUXURYLETTER

- JANUARY 1, 2005 [luxuryletter.com](http://luxuryletter.com)

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 working the Luxury Residential Real Estate market on a daily basis, to give you an insider's perspective of the market as it is...today. Our focus is luxury: Our specialty is Downtown.

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

## LUXURYLETTER ANNUAL REPORT *-January, 2005*

WOW! WHAT AN INCREDIBLE YEAR! .....THE TOP 10 REASONS WHY

With spectacular price escalations across the Board, we have to ask the big question: WHY? We have identified (in our humble opinion) the TOP 10 reasons:

1. **LOW INVENTORIES:** A really low inventory of quality apartments: This fueled the sale of New Developments too. The number of New Development sales indicates existing owners unwilling to sell.
2. **LOW INTEREST RATES:** still as low as they can get, and new programs for longer lock-ins, especially desirable to New Development buyers where closings are planned many months away, and often delayed.
3. **NEW YORK IS AN INTERNATIONAL MARKET:** With the exceptionally weak dollar (and continuing to weaken), foreign buyers are not only investing in the city, they are also playing the Currency Game, literally buying at bargain levels.
4. **A STRONG ECONOMY:** regardless of some perceptions, the U.S. experienced healthy growth in 2004.
5. **POPULATION GROWTH:** Estimates are that housing has a LONG road to travel to catch up with population growth.
6. **MULTIPLE HOME BUYERS:** The rich keep getting richer, and with more advantageous tax cuts, more income, they have more cash to spend.....and they love real estate.
7. **DIVERSIFICATION OF FAMILY ASSETS:** Wealthy families are diversifying their Assets, by buying for their children, or helping their children buy homes.
8. **GIVE THEM WHAT THEY WANT:** The Real Estate Market has just begun to cater properly to the LUXURY market, providing the services, finishes and amenities that the wealthy expect...
9. **SPECULATORS & INVESTORS:** Many with excess cash are speculating on the market, often buying into new developments early and hoping to "flip" these apartments for a profit after closing. Some are buying for investment purposes, either looking for rental returns, or long-term escalation...or both. **THE BIG QUESTION:** Is Real Estate a Commodity?
10. **LOTS OF BUYERS:** Add to the traditional buyers (marriage, death, divorce, re-locators, first-timers, retirees): Investors, speculators, foreign currency buyers, 2nd or 3rd home buyers.... Lots of buyer, fewer sellers = escalation and a really strong market.

READ THE REST OF THIS REPORT IN DETAIL ON PAGE 3....

**Douglas Elliman**



## JANUARY 2005 FEATURED PROPERTY

### COLLECTOR QUALITY WEST CHELSEA LOFT 532 West 22<sup>nd</sup> Street (The Eagle Building)



Located in the heart of the Manhattan's Cultural hub of the West Chelsea Arts District, this rare loft features all the authentic details that simply cannot be bought, along with the modern conveniences expected of a property of this caliber. One is seduced immediately by the remarkable, large wooden beams that radiate warmth and luxury throughout this pre-war Loft: With enormous entertaining spaces including a large eat-in kitchen resplendent with Maple cabinetry, professional stainless steel appliances and granite countertops, and facing an enchanting and sunny (quiet!) courtyard garden, this magnificent loft has been featured in numerous Design editorials. Currently configured with two bedroom suites, a third bedroom suite is easily possible (the bathroom exists already).....a powder room is the bonus.

This is a rare, not-to-be-missed opportunity to own a home that possesses what we like to call COLLECTOR QUALITY....

Offered at \$ 2,95million

WEB ID#: 651828

Showings commence January 18, 2005.

For Information Contact: Leonard Steinberg/Hervé Senequier, Telephone: (212)727-6164

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# THE 2004 YEAR-END REPORT (includes closed and contract signed transactions)

## MINLUXE

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

Average price:	\$ 1,410million (Approx. \$ 802/sf)
Average Size:	1,759sf
Factoids:	* Almost 72% CONDOMINIUM * 72% with Doorman * Significant rise in volume compared to 2003. Pricing escalated through 2004. * CONDOMINIUMS command a premium of almost 10% over CO-OP's

## MIDLUXE

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

Average price:	\$ 2,685million (\$988/sf)
Average Size:	2,716sf
Factoids:	* 78% surveyed had a DOORMAN * Almost 80% CONDOMINIUM * 32% in new developments

## ULTRALUXE

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

Average price:	\$ 4,485million (\$1,105/sf)
Average size:	4,059sf
Factoids:	* 82% Condominium * Majority had outdoor space

## MEGALUXE

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

Average price:	\$ 7,255m (\$ 1,337/sf)
Average size:	5,082sf (excluding outdoor space)
Factoids:	* 75% Condominium * SIGNIFICANT increase in volume over 2003 * Vast majority had outdoor space

## HOUSELUXE

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

Average price:	\$ 5,927million
Average width:	21feet
Factoids:	* Significant increase in number of sales * 13 Bank Street sets the record for the highest contract signed price (over \$ 11million)

## LUXURY *NEWS*

EXCITING NEW PROJECTS OPENING IN THE WINTER : Several exciting new development buildings are opening for sale in the Fall in the Gramercy/Flatiron area, Chelsea, SOHO, Wall Street, Astor Place, etc.... Most fall within the classification of LUXURY...BUYER BEWARE of developer representatives who try to sell their least desirable units first (always buy the BEST).....for more details, please call (212)727-6164.

## LUXURY *HOTSPOTS*

MARSTON & LANGINGER: Fresh from the U.K, this English home and garden retailer is opening soon in the 2,400sf space located at the 19<sup>th</sup> Century Cast Iron building at 117 Mercer Street...

BOULEY BAKERY: Yes, it's true: Bouley Bakery is returning to Tribeca! Located across the street from Danube and Bouley at 130 West Broadway, this little jewel-box will bring back those wickedly tempting delights only David Bouley knows how to create.....coming in MARCH, 2005.

## LUXURY *TRENDS*

Bösendorfer Piano or Speakers .... Acid Yellow Accents .... Mattia Bonetti Furniture ... AXOR by Hans Grohe (Faucets) .... Pears from Harry and David, monthly .... K2 Kitchens by Boffi ... Lilac ....

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Leonard Steinberg and Hervé Senequier are Douglas Elliman's #1 brokers specializing in the Downtown Luxury Real Estate Market.

For more information about 'full service brokerage', please view: [www.luxuryloft.com](http://www.luxuryloft.com)  
...or call (212)727-6164 to learn how you can benefit from the ultimate real estate experience.

\*\*\*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.

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