

LUXURY LETTER

DECEMBER, 2005

luxuryletter.com

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: theLUXURYLOFTteam leonard steinberg, hervé senequier, lois planco & samantha behringer



44 East 12th St/UNION SQUARE



6 EAST 10th STREET – 25' Wide Townhouse



THE PETERSFIELD-condo 24h DM

LUXURY HEADLINES DECEMBER 1, 2005

SHHHHHHHHHHHH

It's a secret. Don't tell anyone, but.... This is actually a GREAT time to buy real estate in New York and it's as good a time as ever to sell.... You may ask why, so here goes:

- Buying QUALITY real estate is always difficult in Manhattan, a highly desirable, prime Global Center...under any market conditions.Look at this month's report to see how it contradicts what a lot of the negative press is saying.....hurry before word gets out!
- Now, with larger inventories and some herd-mentality-thinking, some buyers are hesitating: in this lies the opportunity, as buyers now actually have the luxury of picking the 'best of', negotiating a little, and taking a little more time to make these big decisions. No bidding wars. No rushed decision-making. Buying quality is always smartest, especially when it comes to quality Real Estate.
- Currently we are in a transitional market: Now one can actually create the market to be what you want it to be because no-one is certain of what is coming next. What we do know is that 1) interest rates are still low, 2) quality is always hard to find 3) Prices go up over the long-term always, especially in a city surrounded by water with virtually no open land. 4) Prices MAY dip further (many asking prices have dipped already), but they always recover over time and when they do, it may be too late to capitalize on current conditions. 5) New York is not nearly as prone to bubbles as the rest of the U. S, as it is a less speculative market 6) Rents are rising 7) There are still lots of buyers in the market (an apartment came on the market last week, purposefully under-priced to stimulate exaggerated interest: If the market was slow, maybe 20 buyers would have visited in the week.....actually, 60 buyers viewed it in 3 days, with several offers, and one accepted over asking.....a clear indicator of buyer build-up...BEWARE!)

As a Seller, there may be no better time to sell than now, unless you can wait a few years. Low interest rates are critical, prices are still at record high's, **BONUS SEASON** is upon us, and.....those bonuses promise to be not good, but GREAT (up 20-30% over last year)! That's **BILLIONS** of spend-able dollars about to enter the market.....

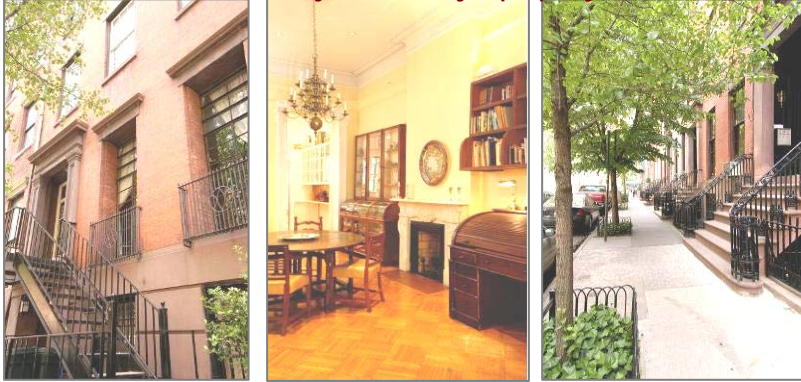
WISHING ALL OUR CLIENTS, READERS, SUBSCRIBERS AND COLLEAGUES ALL THE VERY BEST THROUGHOUT THE HOLIDAY SEASON, AND A 2006 FULL OF GREAT HEALTH AND MUCH HAPPINESS!!!

Prudential**Douglas Elliman**

DECEMBER 2005 FEATURED PROPERTIES

PRIME GOLD COAST GREENWICH VILLAGE TOWNHOUSE
6 EAST 10TH STREET \$ 8.95million WEB ID#: 659212

REDUCED! Superb pre-war details abound in this rare 25 foot townhouse located steps off 5th Ave, 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.



PRISTINE & PERFECT UNION SQUARE PENTHOUSE
44 East 12th Street \$ 2million WEB # 727909



832 BROADWAY-A UNION SQUARE FULL FLOOR LOFT



Scarce, authentic, pre-war loft located steps off Union Square with the potential for 3-4 bedrooms. Soaring ceilings, columns of impressive proportions, gleaming hardwood floors, Central Air-conditioning, huge tilt-and-turn windows and warm light, are some of the features of this unique property, all located in a Landmark building or distinction. \$ 3,65million

Splendidly renovated Condominium Duplex in a 24 hour doorman building with a prized South-facing landscaped terrace flooded by sun all day long. A chef's kitchen features the best of everything; The Master Suite features a large Jacuzzi... Upstairs is a 2nd bedroom/study and bathroom. The architectural detail is impressive in it's purity with many custom features, including advanced electronic systems.



115 FOURTH AVENUE # 4H: UNION SQUARE

Perfectly wonderful 1 bedroom 1,200 sf+ loft steps from every imaginable convenience. Located in a
◀ 24 Hour Doorman building, with 2 brand new baths a large open kitchen, abundant storage and so much more... \$ 1,195 million WEB # 716841

For more information on any of these properties, please call: (917) 385-0565

Prudential Douglas Elliman

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

MINLUXE

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

of properties: 221 (UP, from November)
Average price: \$1,462m (\$1,037/sf SLIGHTLY UP)
Average Size: 1,411sf
OUR ANALYSIS: * The average price per square foot is above \$ 1,000/sf again.
* Significant jump in number of sales.

MIDLUXE

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

of properties: 83 (UP, from November)
Average price: \$2,791 million (\$1,272/sf....DOWN SLIGHTLY)
Average Size: 2,226sf
OUR ANALYSIS: * Average pricing STRONGLY affected by sales at 40 Mercer Street, a super-high-end new building with a high level of services and amenities
* Vast majority sold were condominium with a doorman

ULTRALUXE

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

of properties: 9 (UP, from November)
Average price: \$ 4,481million (\$1,359/sf, DOWN)
Average size: 3,313sf
OUR ANALYSIS: * Average pricing is still swayed upwards by sales in high-end New Developments, where \$ 2,000+/sf is becoming common. 50% of the building is already sold. Quality wins.
* Significant difference in pricing between re-sales and new construction....buyers want the latest, newest, with amenities, in mint, move-in condition...and they will pay for it too...

MEGALUXE

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

of properties: 14 (UP from November)
Average price: \$ 6,499 million (\$ 2,143/sf, UP)
Average size: 3,020sf
OUR ANALYSIS: * This market is STRONGER, but mostly in new buildings that offer everything in the way of high-end finishes, amenities, common areas and prime locations.....40 Mercer is an example.
* Mostly, highly designed properties in exceptional buildings, with outdoor space.

HOUSELUXE

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

of properties: 3
Average price: \$ 7,816 million
Average width: 19.3 feet
OUR ANALYSIS: At last we see movement in this category, still severely lacking any noteworthy inventory.
A large, gut-renovated house on West 10th Street is in contract in the teens....(!!!)
There are a few GREAT BUYS in this market, but very, very few....

LUXURY HOTSPOTS

DOUBLE SEVEN: A real CHOCOLATE bar for everything chocolate.....
Who can resist? 418 West 14th Street Tel: (212)981-9099



LUXURY FINDS

DOWNSIZING? Or need a kitchenette on the top floor of your townhouse? Try this kitchen on wheels that combines a cooktop, sink, refrigerator and oven..... www.emmegroupdesign.com

Used by professional chef's extensively...



...for more resources, check out: www.luxuryconnect.com

Renovate wisely! ..call LUXURYCONSULT: (917)385-0565

theLUXURYLOFTteam
REAL ESTATE SOLUTIONS



NEW! PERFECT PIED A TERRE-115 4th Ave \$ 699k

Over 700sf in size, located in a 24hr Doorman building with large open kitchen, large bath, washer/dryer, and much more. Light + Bright.

Web id# 732803

CONDO, Great Investment.

Leonard Steinberg telephone: (212)727-6164

Hervé Senequier telephone: (212)727-6162

e-mail: lsteinberg@elliman.com

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**