

the only monthly market report on downtown new york luxury real estate

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 Residential Real Estate market on a daily basis, giving you an insider's perspective to gauge the market as it is...today. While other reports deal with average, our focus is luxury.

a luxuryloft production

## NOUVEAU BUBBLE?



A new bubble has emerged in the New York Real Estate market, and in other large cities around the world....the NOUVEAU BUBBLE. As a result of the drastic increase in wealth of the super-wealthy globally, large financial centers such as London, Tokyo, Beijing and of course New York, are experiencing a demand for super—luxury property (as well as all other super-luxury products) that still outstrips supply.

It is somewhat similar to what we call the HERMES - BIRKIN-BAG-FACTOR (those extraordinarily expensive handbags by Hermes that have a year-long wait-list of eager buyers willing to pay anything to get their hands on one). Some may argue that this is inflation at its worst, but when compared to an auction house auctioning off a Picasso, the market forces are simply at play. It is the market after all that will determine the value of anything, and with the sheer volume of super-wealthy forcing pricing upwards, the prices of super-high-end real estate are easily explained. If something has collector value, it always will sell for more....and as much as the highest bidder is willing to pay for it: the more bidders, the higher the price.

The recent wealth reports indicate this trend will continue for many years to come as countries such as China, Russia and India have established themselves in the world economy, and keep producing new consumers anxious to pay anything to establish their status in life. The NEW NOUVEAU RICHE are more rich than at any time in history.....and they are here to stay.

Of course in this market new opportunities always arise, and a backlash to this excess appears imminent.

**2<sup>nd</sup> QUARTER OVERVIEW: \$1,500/SF IS THE NEW \$ 1,000/SF.**

The figures speak for themselves: the average pricing is closer to \$1,500/sf than ever before....and a trend has emerged where it is undeniable that pricing has indeed eased upwards....

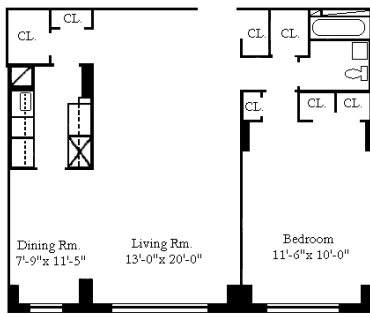
# JULY 2007 FEATURED PROPERTIES

## 17 East 16<sup>th</sup> STREET – UNION SQUARE MEGA LOFT



Seldom does a full floor loft of these proportions (50ft x 92ft) with 5 Bedrooms and 3 Bathrooms, surrounded by windows become available steps off Downtown's most centrally located park, Union Square. The voluminous and authentic pre-war loft with its grand proportions and gleaming hardwood floors boasts a wall of enormous South-facing windows that clear the buildings across the street, affording open exposures with extraordinary light. The combination of light, space, location and exposures is simply un-paralleled. \$5,35M

## 175 W 12<sup>th</sup> STREET – PRIME GV CONDO 1 BED



Wonderful, large one bedroom apartment with a dining alcove and excellent light. This apartment, sun-flooded in the afternoon, is located in the heart of picturesque Greenwich Village in a beautifully maintained 24-hour DM Condo. Sponsor Unit. Buyer pays transfer taxes. Low cc's and taxes

\$899,000

## AN ARTIST'S SHELTER ISLAND MASTERPIECE



Shelter Island Modernism: This remarkably private home has been recently gut renovated to the most exacting standards providing endless possibilities for glamorous entertaining. The large gunite pool is serene perfection. Urban tastes meet the Hampton's way of life in an inimitable style.

\$ 2,295million

## 251 WEST 19<sup>th</sup> ST. – ELLE DÉCOR LIVING IN CHELSEA



Words cannot describe this truly immaculate, gut-renovated, high-floor South-West corner loft apartment recently featured in ELLE DECOR. World-class standards have been applied throughout this sun-flooded home, with it's over-sized windows, soaring ceilings, floating walls and an attention to detail that is simply not to be found anywhere. The expansive Living/Dining room, perfect for glamorous entertaining, adjoins an all white kitchen with custom cabinetry featuring Sub Zero and Miele appliances. The bathrooms are a symphony of the best modernist fixtures and finishes. With custom lighting, ducted central air-conditioning and everything else you'd expect, this prized residence is located in a 24-hour doorman condominium building in the heart of Chelsea, steps from all shopping, restaurants and transportation. A chic new lobby is planned to complete this picture of pure perfection. Low Cc's and taxes

\$ 2,795m

## 74 FIFTH AVENUE – GOLD COAST VILLAGE LOFT



This high floor, lower Fifth Avenue loft awaits your touch to transform it into a Collector quality gem. With light beaming through multiple over-sized windows on an East and South corner, this magical space with 12 ft ceilings easily accommodates 3 bedrooms. Located in an elegant, pre-war loft building, don't miss out on this rare opportunity. \$2,85million

## 115 FOURTH AVENUE – UNION SQUARE LUXE



Located steps off Union Square, close to every conceivable convenience, this perfect 1 bedroom, 2 bathroom jewel has been gut renovated throughout. All floors are Cherry wood, dream kitchen and bathrooms set the tone. 11ft ceilings, superb West sunlight. Double windows ....just move in! Doorman Condo. \$ 1,485m

For more information on any of these properties, please call: (212)727-6164



## THE JULY 1, 2007 REPORT: Our 5 classifications of property:

### *MINLUXE* - still strong, more than just stable.

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

- # of properties sold: 227 SIGNED/IN CONTRACT (DOWN, compared to previous month)
- Average price: \$1,46m (\$1,167/sf ...SLIGHTLY UP compared to previous month)
- Average Size: 1,256sf (DOWN SLIGHTLY compared to previous month)
- OUR ANALYSIS:
  - \* June was slightly less busy than May, although activity levels were strong.
  - \* Pricing per square foot appeared to rise slightly.....the trend is still UPWARDS.

### *MIDLUXE* – Pricing heads upwards...

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

- # of properties sold: 103 SIGNED/IN CONTRACT (DOWN compared to previous month)
- Average price: \$2,819 million (\$1,435/sf... UP CONSIDERABLY compared to previous month)
- Average Size: 1,981sf (DOWN compared to previous month) ,
- OUR ANALYSIS:
  - \* A notable spike in pricing indicates a defined trend towards a \$ 1,500/sf average.
  - \* Large growing inventory does not deter buyers, but affords them more options.

### *ULTRALUXE* – Even + very stable.

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

- # of properties sold: 10 SIGNED/IN CONTRACT (DOWN compared to previous month)
- Average price: \$ 4,591million (\$1,446/sf, EVEN compared to previous month)
- Average size: 3,199 sf (DOWN slightly compared to previous month)
- OUR ANALYSIS:
  - \* Few, quality apartments in this price-point.
  - \* Price per square foot dropped lightly again this month, although volume is up + healthy.

### *MEGALUXE* – Slowing, but steady.

Large, exceptional properties, priced over \$ 5million mostly with outdoor space

- # of properties: 12 SIGNED/IN CONTRACT (DOWN from previous record month)
- Average price: \$9,437 million (\$ 1,725/sf. DOWN SLIGHTLY compared to previous month)
- Average size: 3,378sf (DOWN compared to previous month)
- \*These figures include to significant properties that required significant renovation.
- \*This classification has cooled from the previous record-breaking month.

### *HOUSELUXE* – June was busy, not as busy as May

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

- # of properties: 15 (DOWN compared to previous month, but still well above average)
- Average price: \$7.365 million (UP compared to previous month (UP \$/sf))
- Average width: 21 feet
- OUR ANALYSIS:
  - \* There are very few deals left in this arena: the collector aspect of a good townhouse has pushed pricing now above the \$ 2,000/sf for a house requiring little or no renovation. We think this may still be VERY UNDER-PRICED with room to grow....

## LUXURY FINDS

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Leonard Steinberg & Hervé Senequier, Terry Nye and Lois Planco are consistently Downtown's leading brokers specializing in the luxury real estate market.... with a track record for integrity, professionalism and results. For more information about our unique full service brokerage, view: [www.luxuryloft.com](http://www.luxuryloft.com) .....or contact us at: (212)727-6164 to learn how you can benefit from our **REAL ESTATE SOLUTIONS**.

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\*\*\*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 others. 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.