

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

FALL FATIGUE?



Summer has ended officially: as we enter the FALL SEASON, what should we expect? The final months of Summer were not great at all activity-wise, and while August was quite busy, especially considering the time of year when traditionally the luxury market fizzles, September was not good at all. We did predict this, as previous years have been equally disappointing at this time. This is what we see and predict entering the Fall:

- **INVENTORIES WILL CONTINUE TO GROW:** especially amongst generic, less desirable locations and buildings. Certain classifications of property will see increased shortages.
- **INTEREST RATES WILL BE LOW AND POSSIBLY LOWER:** While mortgages are more difficult to obtain, historically low interest rates have always fueled the real estate market.
- **BUYERS ARE BURNED OUT:** Burned by the over-heated first half of the year, bad press, bad national housing figures; scared of their bonuses, scared if they will lose their high paying jobs, and an overall lack of confidence in the housing marketbuyers will need a break.
- **BUYERS WILL BECOME SMARTER:** With more time to research and more tools at their disposal to do so, buyers will become more educated on the subject of valuation. Should a bland, high rise condo sell for the same price as a well-designed, well located one in an elegant, well scaled building? Probably not. Maybe it should sell for 20-30% less than the quality property?
- **BUYERS FOLLOW THE HERD:** When things slow, so too does the herd. New York buyers hate to admit it, but they possess HERD MENTALITY. They tend to follow the lead of others.
- **THE AMATEUR DEVELOPER'S LUCK MAY RUN OUT:** Until recently any developer could slap a condominium together, place a Sub Zero in the kitchen and be certain of a record sale price in record time: those days may be over. New York doesn't need anymore poorly constructed and designed, bland architecture.
- **THE BONUSES WILL BE GOOD:** Not as good as last year's, but good. Yes, some may not receive a bonus at all, but they will be in the minority. Significant dollars will enter the market.
- **WAIT-AND-SEE BUYER BUILD UP:** There are LOTS of buyers out there. As many of them 'wait-and-see', a build up will occur. This has happened every year for at least the past 3 years. Then something breaks, and they start buying again, tired of waiting as their lives go by.
- **THE BARGAIN BUYER NEVER FINDS A REAL BARGAIN:** Real bargains don't exist in Manhattan right now. The price is never low enough for most bargain buyers. There are too many cash-rich buyers waiting for the prices to dip just enough to enter the market.

OCTOBER 2007 FEATURED PROPERTIES

17 EAST 16th STREET – UNION SQUARE MEGA LOFT



Superbly located off Union Square, this majestic full floor loft has extraordinary light from 4 exposures through oversized windows. Create a showplace masterpiece with 4-5 bedrooms in the most convenient location Downtown.

\$5,35M

15 WEST 12th STREET – GREENWICH VILLAGE OASIS



Located on the best tree-lined street in the Village, on a high floor with great light (yet quiet) this large 1 bedroom, 2 bathroom home is beautifully renovated with Maple floors, tumbled marble bathrooms and a Cherry wood kitchen.

\$1,1M

444 WEST 19th STREET – WEST CHELSEA CHIC



Super-stylish in every way, the elevator opens into this 2 bedroom, 2 bathroom showplace. The glamorous living room has a balcony and an open, sleek kitchen....the Master Suite with its own private balcony is quite superb.

\$1,895M

251 WEST 19th ST. – ELLE DÉCOR LIVING IN CHELSEA



ELLE DÉCOR featured, gut-renovated, South-West facing high floor 2 bed, 2 bath full service Condo Loft. Extensive custom detailing throughout. Brand new lobby will be installed soon. All the chic of a brand new building without the wait!

\$2,695M

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 over-sized windows on an East and South corner, this magical space with 12 ft ceilings easily fits 3 bedrooms. Located in an elegant, pre-war loft building.

\$2,75M

448 WEST 37th STREET – PENTHOUSE IN THE SKY



REDUCED! Unparalleled views from this penthouse loft! Gigantic windows facing North and East provide light that artists dream of. High-end kitchen and bathroom in this unique and spectacular building complete the picture. Live/Work allowed!

\$1,75M

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

THE OCTOBER 1, 2007 REPORT: Our 5 classifications of property:

MINLUXE - August good, September not good

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

of properties sold: 218 SIGNED IN AUGUST, 59 SIGNED IN SEPTEMBER (Down sharply in September)
Average price: \$1,443m (\$1,119/sfSLIGHTLY DOWN compared to previous report)
Average Size: 1,277sf (EVEN compared to previous report)
OUR ANALYSIS: * August was significantly busier than September, with heightened volume.
* September's figures although expected, were down significantly and disappointing.

MIDLUXE – September down sharply.

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

of properties sold: 115 SIGNED IN AUGUST, 34 SIGNED IN SEPTEMBER (DOWN SHARPLY IN SEPTEMBER)
Average price: \$2,634 million (\$1,436/sf... DOWN compared to previous month)
Average Size: 1,842sf (DOWN compared to previous month)
OUR ANALYSIS: * Pricing cooled a little after a month when pricing jumped.
* The September figures could be offset by higher October figures that simply have not registered.

ULTRALUXE – Sales volume down, pricing even.

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

of properties sold: 7 SIGNED IN AUGUST, 3 SIGNED IN SEPTEMBER (DOWN)
Average price: \$ 4,524million (\$1,554/sf, EVEN)
Average size: 2,940sf (DOWN slightly compared to previous month)
OUR ANALYSIS: * Price per square foot remains even.
* We have heard of several sales in this price-point brewing. Time will tell if they materialize and if next months figures show improvement.

MEGALUXE – Volume strength

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

of properties: 13 SIGNED IN AUGUST, 8 SIGNED IN SEPTEMBER (EVEN)
Average price: \$8,470 million (\$ 1,674/sf. DOWN compared to previous month)
Average size: 5,489sf (DOWN compared to previous month)
*Pricing is now almost \$ 2,000/sf AVERAGE.....a record.
*This is very busy for a mid Summer month.

HOUSELUXE – August busy, September slow.

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

of properties: 18 IN AUGUST, 9 IN SEPTEMBER (DOWN compared to previous month)
Average price: \$6,41 million (DOWN compared to previous month)
Average width: 23 feet
OUR ANALYSIS: * It is too early to tell if the downturn in sales in September is a trend or isolated
* The lethargic numbers follow several months of spectacular numbers: Either the market is taking a breather, or it has run out of steam.
* There is still a shortage of single family houses.....a \$ 10million Village house is currently experiencing multiple bidders.

LUXURY FINDS – EL QUINTO PINO – 401 West 24th Street

Spanish for "The Fifth Pine," El Quinto Pino is the kind of neighborhood tapas bar you'd find in Madrid: hole-in-the-wall-y, all stools, no tables, mosaic tiles and chalkboard menus. Maybe Chef Alex Raij (Tia Pol) cares about delivering rare delicious bites, great drinks and nothing more? The menu is entirely in Spanish....but it's good. Maybe basic + simple + good is the new luxury? Tel: (212)206-6900



PROPERTY OF THE MONTH

Now officially a collector item, the few remaining units at 200 Eleventh Avenue featuring New York's first En Suite Sky Garages, where owners drive their cars into an elevator that whisk them up to their apartments, are now available for viewing.

Each unit features double height ceilings with protected park, river and skyline views, exquisite custom finishes by Selldorf Architects, all set amongst the CHELSEA ARTS DISTRICT, Downtown's most vibrant neighborhood.

3 bedroom, 3,5 bathroom duplexes starting around \$ 6,25million.



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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.comor 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.