

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

TOUGHER DEVELOPER FINANCING?

We are in the midst of a new financing market: banks have tightened their lending rules since the **AUGUST, 2007 MELTDOWN**. This rather dramatic financing shift applies not only to homebuyers seeking mortgages, but also to the developers seeking to build them.

Inventories for new properties have risen over the past 12 months, and the level of new construction often appears overwhelming: Developers faced with sharply increased costs for development sites, construction labor and materials, are now also faced with the dilemma of tightened bank wallets. Not only do the banks scrutinize more, and increase their margin, they are also requiring more cash equity from developers. Certainly there are enough deep-pocketed developers around, but this new set of rules could reduce the number of smaller developers, or possibly even eliminate some of them. This is good and bad.

It is good in that unqualified developers should not be building, and their risky profiles are best taken out of the real estate equation. It can also help reduce inventories, thus speeding up the absorption of apartments on the market. It is bad when less wealthy developers who run a legitimate operation and produce top quality, creative property are removed from the market purely because they have insufficient cash reserves. This can diminish creativity and reduce competition.

And when purely **profit-driven, larger developers** are the only ones in business, quality suffers. If these developers have to answer to banks and share-holders whose only objective is to maximize profits, one can be certain that either pricing will rise or quality will suffer. Add this financing dilemma to the **expiration of the 421-A tax abatement** program, and the incentive for developers to build residential condominiums could suffer.

What does this mean for the consumer? Maybe many of the recently developed buildings become more valuable as the chances for building properties of a similar quality and pricing becomes not only less desirable, but physically and practically impossible to deliver. Maybe, in the medium term, inventories could drop noticeably causing a shortage in certain property classifications. In all this, lies opportunity.



IT'S OFFICIAL! The 200 ELEVENTH AVENUE En Suite Sky Garage concept has now been 100% approved by all government agencies.....and just in time for the unprecedented top-floor penthouse to be released. For those seeking the ultimate prize property, this penthouse provides 2 full floors and the entire rooftop garden, with 80ft of frontage onto the Hudson River, overlooking Chelsea Cove Park, separated from the highway by [The Chelsea Waterside Park](#).

NOVEMBER 2007 FEATURED PROPERTIES

519 BROADWAY – FULL FLOOR SOHO SHOWPLACE



NEW! This massive (and quiet), full floor loft in the heart of SOHO has been gut renovated, including a new lobby. Every imaginable designer fixture features, but it is the many side windows allowing four bedrooms that sets it apart. Also available for rent at \$ 35,000/month
\$4.95M

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.

\$5,15M

54 KING STREET – URBAN OASIS EXTRAORDINAIRE



NEW! Located on a picturesque Townhouse row, this one-of-a-kind home is easily converted to a single family. The lower half and all mechanicals are gut renovated to an unprecedented standard. The heated pool is Collector quality. Four Fireplaces and unlimited potential.

\$7M

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

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

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 NOVEMBER 1, 2007 REPORT: Our 5 classifications of property:

MINILUXE - Same activity as 2006 and 2005

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

- # of properties sold: 96 SIGNED (Even with October and 2006, 2005 figures)
- Average price: \$1,473m (\$1,157/sfSLIGHTLY UP compared to previous report)
- Average Size: 1,269sf (EVEN compared to previous report)
- OUR ANALYSIS:
 - * October was not terribly busy, but activity wise was in line with 2006 and 2005
 - * Pricing remained strong without any signs of dipping

MIDLUXE – October figures in line

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

- # of properties sold: 49 SIGNED (EVEN)
- Average price: \$2,776 million (\$1,411/sf... EVEN compared to previous month)
- Average Size: 1,965sf (UP compared to previous month)
- OUR ANALYSIS:
 - * Pricing remained even
 - * We are seeing more activity at this price-point that may only register in November and December: This would be a similar pattern to previous years.

ULTRALUXE – Sales volume down, pricing even.

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

- # of properties sold: 4 SIGNED
- Average price: \$ 4,735million (\$1,499/sf, SLIGHTLY DOWN)
- Average size: 3,534sf (UP compared to previous month)
- OUR ANALYSIS:
 - * Price per square foot remains stable with slight drop.
 - * There are several accepted offers in this price-point that did not register for this month as they were not yet signed.

MEGALUXE – Strong Volume - record pricing

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

- # of properties: 12 SIGNED (EVEN)
- Average price: \$7,558million (\$ 2,288/sf. UP NOTICEABLY compared to previous month)
- Average size: 3,304sf (DOWN compared to previous month)
 - *Pricing is now well over \$ 2,000/sf AVERAGE.....a record.
 - *This segment was very busy.

HOUSELUXE – ACTIVE ON THE LOWER END

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

- # of properties: 17 (EVEN compared to previous month)
- Average price: \$5,465 million (DOWN compared to previous month)
- Average width: 23 feet
- OUR ANALYSIS:
 - * The higher end of pricing was not as busy in the month of October.
 - * There were some 'good buys', but most of them required serious renovation work.

LUXURYFINDS – AT LAST: A TELEVISION SOLUTION FOR GLASS WALLED HOMES!

If walls of glass have left you struggling to find the perfect place for your TV, here is the perfect solution: Sleek, contemporary, classic + chic... and on wheels....the TV disappears into the cabinetry that can be customized with your décor....and not compete with your walls of glass and the views beyond!

Also available with a built in DVD player. Made in the Netherlands, and available in the UK. www.twoeyestv.co.uk



RESTAURANT OF THE MONTH OPENING: IRVING MILL

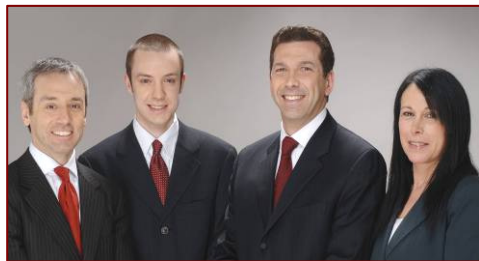
In a wonderfully decorated space, steps off Union Square, Chef John Schaefer, previously of Gramercy Tavern, pools together his morning buys from the neighboring Union Square market to create a refreshing and seasonal menu in a relaxing, warm and inviting environment.

116 East 16th Street

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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.