

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

THE \$38 BILLION QUESTION









With \$38 billion dollars entering the bonus world from Wall Street alone, the big question is: how will this affect the real estate market in Manhattan in the coming weeks and months? A larger portion of these bonuses will be paid in stocks, so the actual cash entering the market is uncertain. Here are some of our observations:

- ▶ There are definite signs of **INCREASED BUYING ACTIVITY**. Not just lookers and bidders, but actual signed contracts. The figures speak for themselves and they are **VERY STRONG**. November was a very busy month.
- ▶ Another 7,5 billion pounds worth of bonuses will be paid out in the UK. Then there is France, Russia, India, China....
- ▶ The volume of **FOREIGN BUYERS** is quite impressive indeed: they are buying in the United States the way we bought in Argentina and Europe a few years ago, only their confidence levels in our economy and political stability are quite different. Yes, the dollar stinks right now....but eventually that changes.
- ▶ Manhattan real estate is **RELATIVELY CHEAP** to other major global centers, especially with the weak dollar factored in. Manhattan is even well priced next to prime neighborhoods in other large cities in the USA.
- ▶ New York has experienced **INCOME GROWTH** of approximately 16% in the past year. Yes, this may be inflation, but it is what it is.....more disposable money in the market.
- ▶ **UNEMPLOYMENT IS DOWN** by approximately 1% in the past year. There may be lay-offs in the banking sector in 2008, but it is still uncertain as to how this will impact real estate pricing, especially on the high end.
- ▶ The **AVERAGE** income in Manhattan is about \$ 147,000.00....about **THREE TIMES THE NATIONAL AVERAGE**.
- ▶ Developers have cut back....the inventory levels have dropped notably, especially in the past few weeks. When developers of luxury properties slow down building, the value of existing buildings often stabilizes or rises.
- ▶ If the market drops 10%, pricing will still be above January 2007 levels. So far we have not seen any significant impact on pricing, and in some areas prices have risen.
- ▶ **THE SHORTAGE FACTOR**: There is always a shortage of quality apartments in quality locations and buildings in New York...always. They almost always sell for a premium, and they usually are removed from the market if pricing falls.
- ▶ And then there are the annoying (yet important) **BASICS**: Families are staying and moving back to the city (witness the Scramble to get kids into a good school!), many are trying to avoid long commutes and prefer the ease of city life, younger retirees want city life and culture as opposed to suburban boredom (and they usually own weekend homes), the wealthy own multiple homes, and owning a piece of New York is always considered, interest rates are low, etc, etc.

BONUS PRIZE: What about a full-sized, private swimming pool in the heart of Manhattan? Just a taste of this collector quality townhouse nestled between SOHO, Greenwich Village and Hudson Square. Call (212)727-6164



DECEMBER 2007 FEATURED PROPERTIES

519 BROADWAY FULL FLOOR SOHO SHOWPLACE	45 FIFTH AVENUE – LOWER FIFTH AVENUE’S BEST
 <p>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</p> <p style="text-align: right;">\$4.95M</p>	 <p>NEW! Located in a pretty pre-war co-op on the best part of lower Fifth Avenue, this charmer will captivate with its authentic detailing, lovely views, an abundance of built-ins and so much more to make this a truly inspiring home. Move right in.</p> <p style="text-align: right;">\$795,000</p>
17 EAST 16th STREET – UNION SQUARE MEGA LOFT	54 KING STREET – URBAN OASIS EXTRAORDINAIRE
 <p>REDUCED! 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.</p> <p style="text-align: right;">\$4,995M</p>	 <p>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.</p> <p style="text-align: right;">\$7M</p>
251 WEST 19th STREET – THE VERY BEST OF CHELSEA	151 EAST 37th STREET – PRE-WAR TOWNHOUSE DPLX
 <p>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!</p> <p style="text-align: right;">\$2,695M</p>	 <p>NEW! A charming and unusual top floor brownstone 3bed/2bath with gorgeous garden and Chrysler building views. 3 fireplaces, skylights and so much detail to make the walk worth every moment! With superb light and detail, and very realistic pricing, this is a great find indeed.</p> <p style="text-align: right;">\$1.5M</p>
444 WEST 19th STREET – WEST CHELSEA CHIC	448 WEST 37th STREET – PENTHOUSE IN THE SKY
 <p>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.</p> <p style="text-align: right;">\$1.895M</p>	 <p>REDUCED TO SELL! 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!</p> <p style="text-align: right;">\$1.65M</p>

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

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

MINLUXE - SALES ACTIVITY RISES SIGNIFICANTLY

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

- # of properties sold: 166 SIGNED (UP significantly)
- Average price: \$1,420m (\$1,124/sfSLIGHTLY DOWN compared to previous report)
- Average Size: 1,276sf (EVEN compared to previous report)
- OUR ANALYSIS:
 - * November posted sharp activity increases
 - * Pricing remained strong without any signs of dipping

MIDLUXE – SALES ACTIVITY DOUBLES!

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

- # of properties sold: 93 SIGNED (UP notably)
- Average price: \$2,836 million (\$1,575/sf... UP compared to previous month)
- Average Size: 1,799sf (DOWN compared to previous month)
- OUR ANALYSIS:
 - * Pricing shows signs of rising
 - * Outstanding sales volume compared to previous month....and almost double of previous year!

ULTRALUXE – SALES VOLUME + PRICING RISES

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

- # of properties sold: 6 SIGNED (UP)
- Average price: \$ 4,443million (\$2,117/sf, UP NOTABLY)
- Average size: 1,998sf (DOWN compared to previous month)
- OUR ANALYSIS:
 - * Price per square foot rises sharply due to the impact of the Superior Ink building
 - * Sales volume is up compared to previous month and prior year.
 - * Pricing is up almost 50% compared to last year at the same time....

MEGALUXE – ACTIVITY RISES 50%

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

- # of properties: 18 SIGNED (UP)
- Average price: \$6,930million (\$ 1,973/sf. EVEN compared to previous month)
- Average size: 3,512sf (DOWN compared to previous month)
 - *Sales activity rises 50% compares to previous month and 2006.
 - *The Superior Ink building has drawn a vast pool of this price-point buyer.
 - *Pricing remains stable.

HOUSELUXE – ACTIVE ON THE LOWER END

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

- # of properties: 5 (DOWN compared to previous month)
- Average price: \$8,2 million (UP compared to previous month)
- Average width: 23 feet
- OUR ANALYSIS:
 - * A record price was set for a modernist renovation of a house on Jane Street in Greenwich Village
 - * A shortage of good houses is fueling very high pricing.....but may indicate hidden upside.

LUXURY FIND - E-MOOD

DURAVIT has designed a remarkable series of products for the bathroom....highly engineered items for storage, lighting, housing televisions, etc. At last a collection that is simply beautiful AND functional: a rare combination! The key to the new e-mood bathroom furniture range is the multifunctional e-board, which discreetly houses an optional soap dispenser, tissue's dispenser, cosmetics shelf and power outlet....with no visible cables. The cover can be combined with the Fogo, Happy D. and 2nd floor ranges. The mirrored e-cabinet and e-mirror offer both functional lighting and atmospheric coloured lights with different programmable mood lighting. A night light automatically switches on when it gets dark. Other features include the e-light element, e-wall fitted storage cabinet and large illuminated glass e-screen. www.duravit.com



RESTAURANT OF THE MONTH FIAMMA

Even the New York Times raved about this Italian inspired SOHO classic, recently revived with a new chef, Fabio Trabocchi. Set in a romantic townhouse, this restaurant is not for authentic Italian cooking though, rather a more luxurious and creative version thereof. 206 Spring Street T: (212)653-0100



the LUXURYLOFT team REAL ESTATE SOLUTIONS



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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.