

LUXURY LETTER

JUNE, 2008

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.

SO WHAT'S REALLY GOING ON?

We are regularly accused of being pro-broker, pro-market, positive-speak real estate b.s.-ers, fueling market conditions to enrich our own pockets. Unfortunately, the reality is, we say it like it is. Always have and always will. We collect data, we analyze it and we report it as it is, not as we would like it to be, but as it is. This is ALWAYS in the best interests of all, especially a reputable broker whose career is a long term one. Legitimacy is the cornerstone of any professional career, and verifiable reporting is the only kind we participate in. Yes, it is true that there are some who distort reality, and this will always be the case. This is what we are currently seeing in the market, like it or not:

MOOD: Sellers are increasingly frustrated and impatient at the pace of the market. They are often insulted by low bids. Many brokers are crying the blues....these are not the heady times we were used to in the past few years where anything you listed sold fast, close to asking and with not too much effort. These days brokers have to WORK HARD for each and every sale. Many brokers are suffering through the agony of keeping their Sellers happy in this new (normal), much slower market.

PRICING: We do see numerous price adjustments, mostly on over-priced properties or on properties that have been on the market for quite a while or had unrealistic market escalation ambitions.

ACTIVITY: It is a much slower market. There are definitely fewer buyers, but the buyers who are out there are serious buyers.

INVENTORY: The inventory levels have stopped rising and have actually leveled off from the high's of October 2007.

PACE: Buyers are slow to commit. They ponder, re-consider, self-doubt, etc. They are nervous. Most listings take much longer to sell unless they are pristine and correctly priced, or very rare entities.

NEW DEVELOPMENTS: Many are very sold up. There are some buildings that have not sold well at all, and developers are entertaining offers, mostly on over-priced units. The level of new projects has dropped slightly as developers' financing is now more difficult to obtain.

BIDDING: Low bids are becoming common. Counter offers on low bids are increasing. The best properties are receiving MULTIPLE BIDS, at premium pricing and sometimes even over the asking price.



47 MERCER STREET - LOFT - \$ 7,5m



69 EAST 91ST STREET - TOWNHOUSE

\$ 18,75m

JUNE 2008 FEATURED PROPERTIES

69 EAST 91ST STREET – CARNEGIE HILL'S BEST TOWNHOUSE WITH A GARAGE

\$18.75MILLION



The finest fully renovated single family townhouse in Carnegie Hill: The best block, the smartest layout, all exquisitely executed by world-renowned architect Annabelle Selldorf. The quality of finish out, rooftop terrace, garden, elevator, garage, light and location make this a collector item.

47 MERCER STREET – SOHO AT ITS FINEST



Exceptional full floor classic SoHo masterpiece with superb original Corinthian Columns, 14ft ceilings and no-expense-spared finish out. Combined with a superb lobby and large elevator, this is THE SOHO PRIZE. 3 beds + study.

\$7,5M

54 KING STREET – SOUTH VILLAGE TOWNHOUSE



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.

\$6.585M

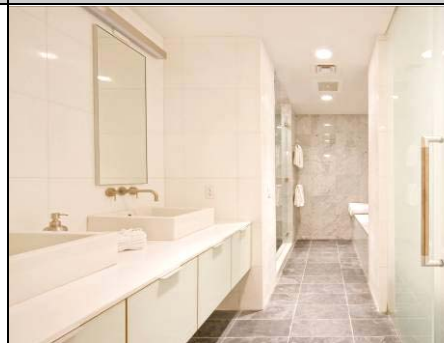
20 EAST 9TH STREET – PRIME CENTRAL VILLAGE



In the heart of the 'Gold Coast' of Central Greenwich Village, this breathtaking, spacious one bedroom home is perfectly positioned on a sunny south West corner of the Breevort East, one of Manhattan's finest co-operative full service buildings.

\$1,3M

333 WEST 14TH STREET – MEATPACKING DISTRICT



THE PRIME represents sophisticated Manhattan living at its best. These 2250sf, 2 bedroom, 2 bath private full floor lofts, with home office are located steps from the Meat Packing District, Greenwich Village and West Chelsea.

Starting at \$2,985M
More info at:
www.333w14.com

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

200 ELEVENTH AVENUE



Designed from the inside out,, 200 Eleventh Avenue offers 16 residences. Homes feature double-height ceilings and oversized glass doors that open to outdoor glass balustrades facing CHELSEA COVE and the Hudson River. Only 3 remaining Units priced from \$6.25M
For more info visit our web site at:

www.200eleventh.com

► FOR FURTHER INFORMATION ON ANY OF THESE PROPERTIES: T(212)727-6164

JUNE, 2008 REPORT: Our 5 classifications of property:

MINLUXE - THIS PRICEPOINT REMAINS ACTIVE

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

of properties sold: 230 SIGNED (EVEN COMPARED TO PREVIOUS MONTH)
Average price: \$1,472m (\$1,184/sff.....DOWN SLIGHTLY compared to previous report)
Average Size: 1,250sf (UP SLIGHTLY compared to previous report)
OUR ANALYSIS: * Activity remains relatively strong.
* Pricing remains stable.

MIDLUXE – SALES ACTIVITY RISES SLIGHTLY

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

of properties sold: 133 SIGNED (EVEN compared to previous month)
Average price: \$2,701 million (\$1,441/sf... DOWN SLIGHTLY compared to previous month)
Average Size: 1,882sf (DOWN compared to previous month)
OUR ANALYSIS: * Pricing drops slightly again, but volume of transactions is healthy and up.

ULTRALUXE – VOLUME RISES, PRICING DROPS

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

of properties sold: 19 SIGNED (UP compared to previous report)
Average price: \$ 4,533 million (\$1,660/sf, DOWN from previous report)
Average size: 2,727sf (UP compared to previous month)
OUR ANALYSIS: * Price per square foot drops notably after previous months escalations.
* Sales volume rises.

MEGALUXE – AGAIN, BUSY, BUSY, BUSY!

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

of properties: 21 SIGNED (DOWN from previous month)
Average price: \$7,367million (\$ 2,714/sf. UP compared to previous month)
Average size: 3,956sf (UP compared to previous month)
* PRICING RISES....go figure!
* VERY strong sales volume.
* 200 Eleventh Avenue Penthouse signed for \$ 17,5m, the highest price per square foot north of 23rd Street ever. A RECORD in this market, or any previous market. (\$ 4,600+/sf!)

HOUSELUXE – A SOLID MARKET

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

of properties: 9 (UP slightly compared to previous month)
Average price: \$8,903 million (UP slightly compared to previous month)
Average width: 24 feet
OUR ANALYSIS: * A collector quality house on 19th Street sold in multiple bids over the asking price.
* A townhouse at the SUPERIOR INK building is in contract, proving the demand for fully gut renovated houses in the West Village, this of course being new construction with amenities of the adjoining condominium building.

LUXEGREEN — FIBER OPTIC SOLAR LIGHTING: LIGHT TRANSPORTED VIA FIBER OPTIC CABLE



HUVCO DAYLIGHT SOLUTIONS: This is a clever system that transports natural light to a part of a building via fiber optic cables up to 60 feet from the source....Sunlight is collected by Parans Solar Panels outdoors. The sunlight is then brought into the building through the Parans Optical Cables. Indoors, the sunlight flows out through Parans Luminaires. This technology is called Fiber Optic Solar Lighting. www.huvco.com



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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.