

LUXURY LETTER

SEPTEMBER, 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.

MOSCOW OR MANHATTAN?




The Dollar has increased in value by over 7% in the past few weeks, a remarkable recovery on anyone's standards. Will this recovery continue, or is it just a pullback from an extreme low? Only time will tell. If the Dollar were to continue strengthening, how would this impact the New York Real Estate market that has benefited by foreign buyers? We suspect it would more than likely encourage an initial burst of foreign buyers trying to capitalize on their currency before it's too late. After that, you may see several foreign buyers cashing out. We believe though that most foreign buyers will stay put, rather keeping some of their assets tied up in a stronger dollar than in other weakening currencies where political and social stability may not be as reliable. If you were a wealthy Russian, subject to an increasingly alienating government, would you want your money in Moscow or Manhattan?

CHELSEA COVE EMERGES

They said it wouldn't happen. They said Basketball City was forever. They said there was no funding. They said it was all rumor. They were wrong. At last, clear signs of a park are emerging just north of Chelsea Piers, the location of the Hudson River Park's most wonderful new addition: CHELSEA COVE, a 9 acre park consisting of 2 piers, a 3.5 acre lawn bowl, a promenade and so much more.....and here is a picture to prove it:



SEPTEMBER 2008 FEATURED PROPERTIES

<p>47 MERCER STREET – SOHO AT ITS FINEST</p>  <p>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.</p> <p style="text-align: right;">\$7.5M</p>	<p>200 ELEVENTH AVENUE – ONLY 3 REMAINING UNITS</p>  <p>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</p>
<p>60 GREENE STREET – SOHO MASTERPIECE</p>  <p>This SoHo masterpiece combines the most exquisitely refined structure, craftsmanship and location. Located in a classic cast iron loft building flooded with Western light, no detail has been ignored in this meticulous renovation featuring the very best of everything.</p> <p style="text-align: right;">\$6.25M</p>	<p>59 WEST 12th STREET – A RENOVATOR'S DREAM</p>  <p>Rarely, if ever, does a large combination of 2 apartments become available in this elegant, 24-hour doorman pre-war Bing and Bing condominium. Perched on a high floor with open views, 3 exposures (North, East and West) and a lovely terrace, this apartment is on the quiet side of the building. With 2 fireplaces and an abundance of windows, this is every renovators dream come true.</p> <p style="text-align: right;">\$4.2M</p>
<p>20 EAST 9th STREET – PRIME CENTRAL VILLAGE</p>  <p>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.</p> <p style="text-align: right;">\$1.3M</p>	<p>40 EAST 20th STREET – FLATIRON TREASURE</p>  <p>This gorgeous 2 Bed / 2 bath full floor pre-war loft features exposed brick walls, hardwood floors An interior study is a definite bonus. The entire apartment was recently renovated, in a newly finished out condominium with brand new lobby.</p> <p style="text-align: right;">\$2.595M</p>
<p>390 WEST BROADWAY – SLEEK, STYLISH & SPACIOUS</p>  <p>This extraordinary floor-through home in the heart of Soho is a loft-lover's dream come true! Authentic pre-war detailing is mixed with contemporary flair providing every modern convenience in this prize location.</p> <p style="text-align: right;">\$2.25M</p>	<p>300 EAST 71st STREET – UPPER EAST SIDE OASIS</p>  <p>With charming treed exposures facing a quiet and sunny townhouse garden, this perfectly proportioned 1 bedroom apartment is located in a full service building in a superb location, with renovated kitchen and bathroom and lots of closets.</p> <p style="text-align: right;">\$650,000</p>

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

SEPTEMBER, 2008 REPORT: Our 5 classifications of property:

MINLUXE - SALES VOLUME UP, PRICING DROPS

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

of properties sold: 230 SIGNED AND CLOSED (UP COMPARED TO PREVIOUS MONTH)

Average price: \$1,436m (\$1,189/sf.....DOWN compared to previous report)

Average Size: 1,203sf (DOWN compared to previous report)

OUR ANALYSIS: * Activity levels increased notably from previous month but includes multiple closing at the Chelsea Stratus and 101 Warren Street.
* Pricing dropped slightly

MIDLUXE – SALES ACTIVITY & PRICING DROPS

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

of properties sold: 100 SIGNED AND CLOSED (DOWN NOTABLY compared to previous month)

Average price: \$2,748 million (\$1,433/sf... DOWN compared to previous month)

Average Size: 1,921sf (UP compared to previous month)

OUR ANALYSIS: * Pricing drops slightly, and number of transactions is healthy down.

ULTRALUXE – VOLUME DOWN / PRICING SLIPS

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

of properties sold: 18 SIGNED AND CLOSED (DOWN compared to previous report)

Average price: \$ 4,450 million (\$1,693/sf, DOWN SLIGHTLY from previous report)

Average size: 2,656sf (UP compared to previous month)

OUR ANALYSIS: * Price per square foot drops slightly.
* Sales volume drops notably. August is traditionally a slow Summer month.

MEGALUXE – BUSY, YET VOLUME/PRICING SLIPS.

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

of properties: 22 SIGNED AND CLOSED (DOWN from previous month)

Average price: \$7,126million (\$ 2,240/sf. DOWN NOTABLY compared to previous month)

Average size: 3,144sf (UP SLIGHTLY compared to previous month)

* Many Volume is strong considering August is deep Summer and traditionally slow
* Pricing dropped from previous months spike to a more normal level. Pricing is still strong.

HOUSELUXE – A DECENT PACE

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

of properties: 7 SIGNED AND CLOSED (DOWN slightly compared to previous month)

Average price: \$7,191 million (DOWN compared to previous month)

Average width: 21.5 feet

OUR ANALYSIS: * This market has more inventory, but not much is appropriately renovated
* The volume for August is quite strong.
* Most houses require gut renovation. Townhouses may still be undervalued in some areas.

LUXEATS – ALLEGRETTI – 46 West 22nd STREET

Missed your trip to the Riviera this year due to the weak dollar? ALLEGRETTI is a restaurant concept by renowned chef Alain Allegretti that just opened in the heart of the Flatiron district steps off Fifth Avenue. The menu is inspired by the cuisine of the French Riviera and the wine country of Southern France. The wood is dark, the walls are cream, and navy accents everything from the banquettes to the sofa in the small front bar area. Classic French fare, farmer's market finds and the occasional tableside preparation are the order of the day. The *Mediterranean Ceviche is superb*, but when the weather cools, the wood-burning oven will be up and running to start firing *Cote de Boeuf* and *Market Fresh Whole Fish*.....Telephone: (212)206-0555



LUXEFIND – The CLAW-SHOWER?

First the claw-tub, now the CLAW-SHOWER? Yes, a free standing shower with a cast iron base with clawed feet. And its not that new....designed in 1933, but still pretty fabulous!
www.drummonds-arch.co.uk



Prudential Douglas Elliman Real Estate

The **LUXURYLOFT** team
REAL ESTATE SOLUTIONS

Leonard Steinberg t: (212)727-6164
Hervé Senequier t: (212)727-6162
Lois Planco t: (212)727-6150
Terry Nye e-mail: lsteinberg@elliman.com

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**.

Prudential Douglas Elliman
26 West 17th Street 7th Floor
New York, NY 10011

***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.