



- ▶ **PRICE PRESSURE:** Buyers fueling pricing pressure continues, forcing prices to their lowest levels in some (but not all) instances in 4 years. Certain classifications of property will emerge that are less susceptible.
- ▶ **MORTGAGE BOOM:** Mortgage brokers will be busier than ever, re-financing mortgages at lower rates, fixed rates and replacing adjustable mortgages.....but only to those with strong credit scores and healthy financials. Banks will work directly with owners of distressed mortgages to make new deals that are manageable.
- ▶ **SPIKE IN TRANSACTIONS:** There will be a significant up-tick in transactions in the 2nd quarter. (New Yorkers have herd mentality: once word gets out of deeply discounted buys (cheaply financed), a bottom will emerge.
- ▶ **LOTS OF REALLY BAD PRESS:** The press will report on bad 4th quarter results: don't be too alarmed....if you've been reading LUXURYLETTER, you've known the trends for quite some time now. Also remind yourself that the world started talking recession in mid 2008, when it actually started in December 2007....
- ▶ **NEW DEVELOPMENT WILL GRIND TO A VIRTUAL HALT:** Existing, financed projects will move forward. There will be a shortage of high end ultra-designed properties as the existing inventory gets (slowly) absorbed.
- ▶ **BUILDINGS WILL CUT COSTS:** Boards will cut back. Buildings will adopt a new sense of fiscal responsibility, cut excessive spending and seek new efficiencies to cut costs. The lower oil price will certainly help immediately.
- ▶ **LOWER OIL PRICES MAY SAVE US FROM A DEEP RECESSION:** Lower oil prices are the equivalent of a HUGE stimulus package and put thousands of dollars back into the hands of Americans to fuel the economy.
- ▶ **NEW TITANS WILL EMERGE:** After all the bankruptcies, mergers and the dust has settled, new, much more powerful organizations will emerge with greater market share and new powers. New billionaires will emerge too.
- ▶ **A NEW ERA OF SCRUTINY:** No longer will consumers trust an organization just because it is large, shiny, nice or reputable. Consumers will take on a sense of personal empowerment to evaluate all purchases & investments.
- ▶ **OUR PERSONAL LIVES WILL IMPROVE:** All have learned the fickleness of large bank accounts, stock portfolios & material possessions, family friends & loved ones relationships will take on new, significant meaning.
- ▶ **A MORE FRUGAL LIFE:** With less money, people will find new pleasures in the simpler things in life. Quality will replace quantity. The wealthy may still be wealthy but the concept of lavish excess already seems old. The basic fundamentals will be more important than ornamentation. Could this be the dawn of the **NOUVEAU POOR**?
- ▶ **HOME WILL MEAN MORE:** Once the dust has settled, real estate will emerge as a shining star in asset portfolios. While some will lose their homes, and others will have lost significant value, home owners who bought smartly and did not speculate, will still have a roof over their heads. Their homes will have retained a strong percentage of their value. Their mortgage interest deduction will still be meaningful. And they will still enjoy living in their homes, which at the end of the day is what real estate should be all about.
- ▶ **BETTER SERVICE:** After years of lousy, rude, dismissive service, we may see the return of a better quality in customer service and clearer disclosure. Each spender should be treated with the respect they are entitled to!
- ▶ **THINGS WILL GET BETTER:** They always do, maybe not immediately (and the first quarter will be tough). New industries and technologies will emerge. The strong will get stronger and we'll re-discover American ingenuity and perseverance. Massive Government spending and very low interest rates will boost recovery. We may have to work harder for less, but the CRISIS OF 2008 will have taught us all many valuable lessons for the future. **LS**

JANUARY 2009 SELECTION

175 WEST 12th STREET



Sweeping Greenwich Village views from a large terrace overwhelm the senses in this outstanding, prime location, 1 bedroom corner unit in one of the area's few 24 hour doorman Condominium buildings. \$ 1,25m

300 EAST 71st STREET



Located in a full service building on the Upper East Side, this magnificently quiet apartment overlooks an open expanse of trees providing superb light, space and a renovated kitchen and bathroom. \$ 600,000.00

14 EAST 33RD STREET



A unique opportunity to buy this income-producing full floor, 2-unit live/work condominium loft, steps off Fifth Avenue....and priced to perfection too, well under \$ 1,000/sf. \$ 4,3million

224 WEST 18th STREET



Super sleek, refined one bedroom, 1,5 bath with incredible ceiling heights and a large courtyard terrace, located in prime Chelsea in a new, full service condominium building with gym. \$ 1,199m

For more information on any of these properties, or to schedule an appointment to view, please call: (212)727-6162

COMING SOON:



33 CHARLTON STREET – GREENWICH VILLAGE



COMING SOON: This remarkable townhouse, on possibly one of the prettiest townhouse rows anywhere in Manhattan, has been gut renovated and re-constructed in the best of tastes with uncompromised quality and attention to detail. Conveniently located at the southern tip of Greenwich Village and bordering Soho, this quiet street boasts the most exceptional garden exposures in New York.

Call for details.

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

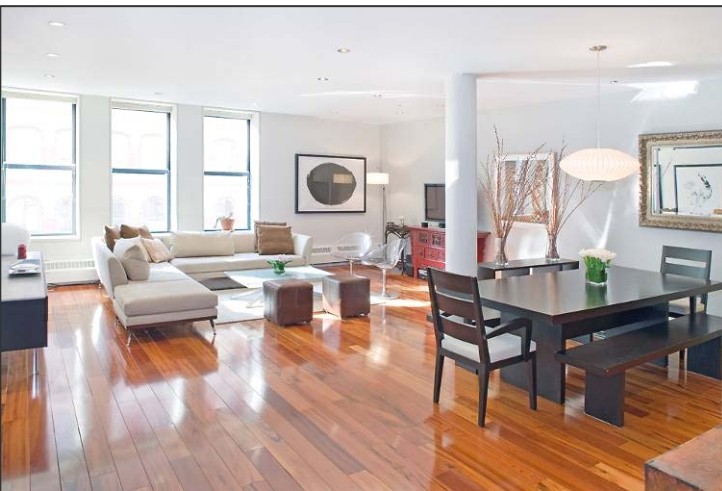
390 WEST BROADWAY AUTHENTIC SOHO



REDUCED TO SELL! Sleek, stylish and spacious, this extraordinary floor-through home in the heart of Soho is a loft-lover's dream come true! Enter from your own key-locked elevator into a most refined space accented by striking cast iron columns, high ceilings and wooden beams, as well as beautiful wood floors and designer lighting that flow throughout. A spectacular stainless steel kitchen with a Subzero refrigerator, Miele stove/dishwasher and wine fridge opens into an adjacent dining area and sprawling living room to set the perfect stage for entertaining. City quiet windows ensure ultimate tranquility while inviting light from east and west exposures. This home boasts a bright and airy layout with 2 bedrooms and 2 baths, luxurious amenities that include two huge walk-in closets, built in desk, a convenient washer/dryer, plus a wall-mounted plasma television with surround sound. Enjoy the intimacy of living in a meticulous five-unit building set mere steps from all the activity, culture, shops, restaurants and transportation that make Soho the ultra-desirable place to be!

Offered at: \$ 1,950,000.00

21 ASTOR PLACE UNRIVALLED CONVENIENCE



This superb loft is located in the best building on Astor Place, rich in history and resplendent in architectural merit. Centrally located, this ultra-convenient setting affords the very best of Greenwich Village, Noho and Soho, with entertainment and convenience within steps of your door including easy access to the N, R, 4,5,6 trains. The loft is superbly appointed with rare gleaming Brazilian Tigerwood hardwood floors throughout. Enter through a wide entryway with a good coat closet and an enormous walk-in closet. The generously proportioned living room boasts large sun-flooded south-facing windows. A magnificently appointed Poggenpohl kitchen has been upgraded with granite countertops and features stainless steel (Miele/Bosch/Viking) appliances. The grandiose master suite has a huge walk-in closet and sleek bathroom with extraordinary mosaic tile detailing, 2 sinks, a deep soaking Jacuzzi tub and a sizeable shower stall. The second bedroom and bathroom are equally impressive with great storage. A washer/dryer and ducted central air conditioning make for an exceptional quality of life. The property features a 24 hour doorman, an elegant lobby, beautifully appointed hallways, an in-house gym and your own private storage.

Offered at: \$ 2,500,000.00

For more information on any of these properties please call:

(212)727-6162

PRIME CENTRAL GREENWICH VILLAGE

24 WEST 11th STREET



A TOWNHOUSE WITH SERVICES - UNPRECEDENTED PERFECTION: Gut renovated by a master builder, this 1844 classic sits on the best Village block off 5th Ave. An immaculately restored brick facade with imposing brownstone porch stairway and landscaped front garden leads to the entry: light streams through the centrally located stairway from a rooftop skylight. The parlor floor features a paneled library and an extraordinary living room with fireplace and enormous wall-sized window overlooking the south-facing garden. The garden floor features an impressive family room with an immaculate kitchen, and a dining room leading onto the sun-kissed garden. This floor features a bedroom suite. An elevator connects all floors, including the basement housing a huge wine cellar, laundry room, recreation room and all new mechanicals. The Master Suite floor features a bedroom, study, his and hers walk in closets and a chic bathroom. The top floor houses 2 bedroom suites and a magnificent terrace. On top of every conceivable luxury including central AC and Crestron systems, this house benefits from a White Glove concierge and maintenance services, a New York First.

Offered at: \$ 17,500,000.00

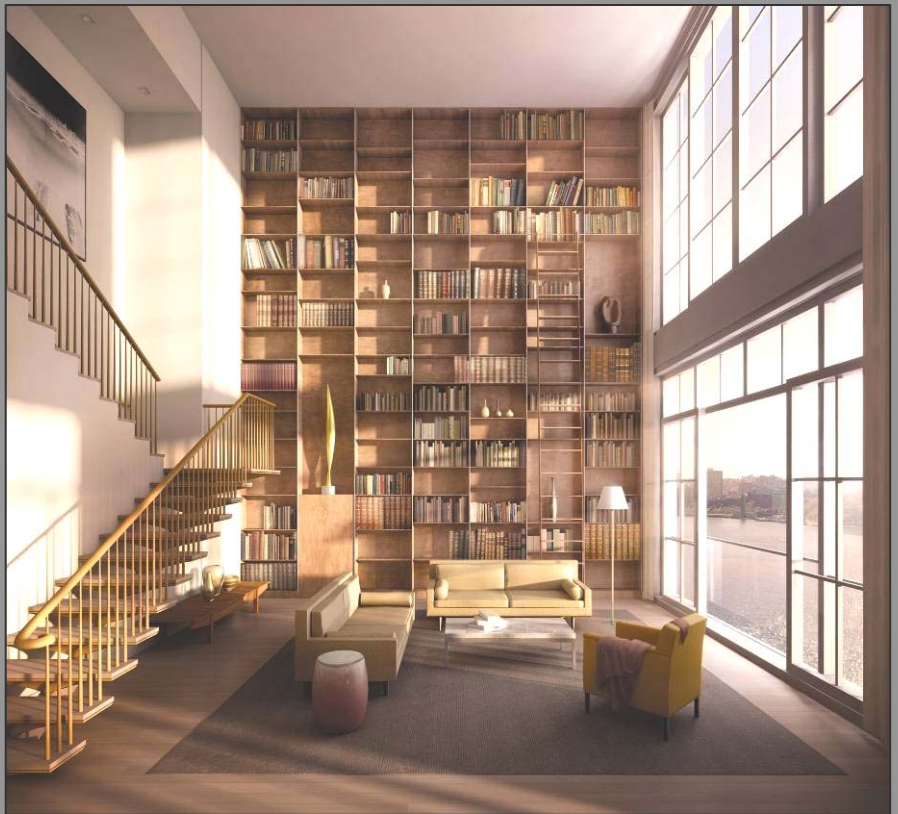
For more information on this property, or to schedule an appointment to view, please call:
T: (212)727-6162



This half floor masterpiece exists on the best NOHO block in the finest building conceived Downtown. The Jerusalem limestone façade wraps an authentic boutique sized building with full services, outstanding security and un-paralleled discretion. The over-sized elevator opens directly into an enormous living space with a fireplace that easily accommodates entertaining on a grand scale with a superb wall of windows that open to reveal the tree tops of Bond Street. A Bulthaup kitchen delivers on every level. A media room is the bonus. The gracious hallway gallery leads to the lavish Master Suite and two additional bedrooms and a powder room, all over-looking the private gardens of the building that also houses a serious gym and entertaining lounge. In-building attended parking for 2 cars is included. Offered at \$ 7,750,000.00

200 ELEVENTH AVENUE – A WEST CHELSEA MASTERPIECE

Located in the heart of The Chelsea Arts District, this dramatic duplex faces Chelsea Cove and the Hudson River Park, with un-obstructed, protected sunset views. A private elevator opens to a foyer that leads to the grand double height 24ft ceiling living room, with over-sized double doors that let the outdoors in.... Enormous southern walls are an art collectors dream. The adjoining dining area abuts a custom crafted kitchen that is concealed by folding teak doors. A study or bedroom suite and powder room are on this floor. A dramatic stairway leads to the Master & 3rd bedroom. The Master Suite boasts sweeping river views with an adjoining bathroom that features a soaking tub carved out of a solid block of granite. Also featured is the adjoining en-suite sky garage, a New York first. The garage can also be used for storage. Teak flooring, Central Air-conditioning, motorized shades and other finishes of the very highest caliber feature throughout. This 16 unit stainless steel & gunmetal terracotta Condominium, designed by Selldorf Architects, is slated for Summer 2009 completion.



www.200eleventh.com

Starting around \$ 6million

MINLUXE -ACTIVITY EVEN WITH NOVEMBER, BUT LOW

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

of properties sold: 101 SIGNED AND CLOSED (DOWN SIGNIFICANTLY COMPARED TO PREVIOUS MONTH)
 Average price: \$1,471m (\$1,254/sf....EVEN compared to previous report)
 Average Size: 1,172sf (EVEN compared to previous report)
 OUR ANALYSIS: * Activity levels about even compared to the previous month: fewer signed contracts
 * Pricing remains strong although un-disclosed prices pending closing indicate a drop of between 7% and 18%.

MIDLUXE – SALES ACTIVITY DOWN

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

of properties sold: 60 SIGNED AND CLOSED (DOWN compared to previous month)
 Average price: \$2,804 million (\$1,503/sf... EVEN compared to previous month)
 Average Size: 1,878sf (DOWN compared to previous month)
 OUR ANALYSIS: * A significant drop in sales volume.
 * These figures are estimates, and we suspect pricing is down between 6 and 18%.

ULTRALUXE – VOLUME DOWN

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

of properties sold: 8 SIGNED AND CLOSED (UP SLIGHTLY compared to previous report)
 Average price: \$ 4,374million (\$1,774/sf, UP SLIGHTLY from previous report)
 Average size: 2,522sf (UP compared to previous month)
 OUR ANALYSIS: * Price per square foot remains stable in areas. Some units show decrease in pricing.
 * Hesitation continues and we hear of continued negotiation, sometimes as high as 20% off original asking prices (not adjusted prices).

MEGALUXE –VOLUME DOWN, PRICING DOWN

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

of properties: 12 SIGNED AND CLOSED (UP SLIGHTLY compared to previous month)
 Average price: \$7,071million (\$ 1,971/sf. DOWN compared to previous month)
 Average size: 3,148sf (DOWN compared to previous month)
 * Pricing is down. Negotiation is up. Great opportunity buys exist in this area. Many Sellers are pulling their properties from the market: they can afford to do so.
 * We anticipate more inventory in the first quarter of 2009, but very wealthy New Yorkers tend to sit tight through tough markets.

HOUSELUXE – MARGINAL ACTIVITY

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

of properties: 2 SIGNED AND CLOSED (EVEN compared to previous month)
 Average price: \$ 7,175 million (DOWN SLIGHTLY compared to previous month)
 Average width: 20.5 feet
 OUR ANALYSIS: * Very low activity: There always are few transactions in December, but this was very slow.
 * The pricing differential between renovated and un-renovated houses is substantial.

LUXESOLUTION – WHAT TO PLACE IN THE CORNER?

Santambrogio Milano - Corner Bed

The solution for a chic corner bed? Santambrogio Milano designs furniture and architecture from glass. With the Simplicity line, the Italian studio incorporates this aesthetic into living spaces, flooding them with transparent shapes. The collection uses an ultra-clear glass called Diamant by Saint Gobain; the glass is laminated, and then tempered to ensure safety. The studio has patented the nearly invisible, transparent joints that it uses to connect the glass sheets, which enable it to eliminate supporting elements. The project began in 2004 with a table, bench, and kitchen made entirely of clear glass—quite a feat, considering that even the sink, faucet, and cook top had to make the clear cut. Four years later, the collection spans a variety of seating, including a bench, sofa, chaise lounge, bed, and modular sofa bed. The studio has even used this treatment in public spaces and for outdoor furniture. santambrogiomilano.it.



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Prudential Douglas Elliman Real Estate

Leonard Steinberg & Hervé Senequier, Terry Nye and Lois Planco are consistently Downtown's leading brokers specializing in the luxury real estate market with a proven track record for integrity, professionalism and results. For more information about our unique full service brokerage, view: www.luxuryloft.com or call: (212)727-6164
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.