



THE LESSONS OF THE GREAT RECESSION

After a roller coaster 12 months, we can now look back and try to learn the (great) lessons of this market.

- Markets always change: they always go up and they always go down.
- Only buy real estate if you can own it for 5-7 years. Keep a 'mortgage savings account' for tough times.
- Buy what you can afford. Read your mortgage. Too-good-to-be-true deals are usually just that. The rich are rich and always will be....don't pretend to be rich if you are middle class.
- Trust, but verify: Understand what you are buying and only buy the best quality. Know what that is. Use a good broker or really know your subject well if you want to buy without guidance.
- If you are buying property to get rich quick, buy lottery tickets instead, or plan a trip to Vegas.
- Maintain your property to perfection, including the common areas: in tough times, only the best sells or rents. Real estate that shows badly has to be either discounted dramatically or worse, doesn't move at all.
- Conservative works: whether it's your mortgage, the price of the property or the financials of the building.
- Warren Buffet has taught us well: the best time to buy the best quality at the best price is when no-one else is buying. That month was March, 2009. There are still good buys, but the best stuff is selling.
- The best indicator of a market high is when the cab driver tells you to buy or else. The low is when EVERYONE including the cab driver says you are crazy to buy. We think that moment has passed.

.....THE BIGGEST FALSEHOOD?

Extreme average price escalations were reported as recently as the last quarter of 2008. This radical trend was reversed sharply in the most recent reports, but may be grossly skewed as the properties that sold that constituted these figures were mostly distress sales or panic sellers AND the volume of sales was fractional:

- The good stuff didn't sell (the owners opted to wait it out) or was removed from the market.
- We are now seeing less negotiation (on more realistic pricing). A few 2007 purchases are selling at a profit.
- Multiple bids are back! There are more buyers willing to bid now. They are not necessarily going over the asking price (Unless the pricing is well below market). But the lows are being challenged.

AUGUST 2009 SELECTION

251 EAST 32nd STREET

MURRAY HILL



NEW! This extraordinary, fully renovated 1-bedroom apartment (with home office area) boasts open views from a corner terrace, conveniently located with every imaginable amenity within steps of your front door. **REDUCED \$ 799,000.00**

51 CROSBY STREET

SOHO



This full-floor loft style apartment may be entered on Crosby Street or at 210 Lafayette Street with a 24 hour doorman. A modernistic 2 bedroom, 2 bath, with tall ceilings, a fireplace, large windows and superb finishes. **REDUCED \$2,25m**

115 FOURTH AVENUE

GREENWICH VILLAGE



NEW! Tastefully renovated, this architect-designed 1 bed/2 bath pre-war loft with tall ceilings and superb East and North light is located steps from Union Square in an A-grade 24hr DM condo. **\$ 1,4m**

210 LAFAYETTE STREET

SOHO



NEW! Perched on a high floor with panoramic views and extraordinary light, this 3 exposure corner apartment is a rare, collector quality find indeed. With 2 bedrooms and 2 bathrooms in a modern full service condo, steps from everything Soho offers. **\$2,5m**

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

AUGUST 2009 SELECTION

350 W 23rd STREET

PRIME CHELSEA



Due for completion in Summer 2009, this superb modernist real 3 bedroom condo apartment with a fireplace, features surprisingly quiet treed exposures north and south in the heart of West Chelsea, close to parks & transportation. \$2.25m

41 WEST 74th STREET

UPPER WEST SIDE



Located on the most sublime block steps off Central Park, this 3 bedroom Triplex with superb outdoor space, located in a historic 2 unit brownstone is the dream of owning a townhouse without the hassles. Mint. \$6,95m

160 WEST 87th STREET

UPPER WEST SIDE



This pristine 1300-sf Prewar UWS Classic 5 apartment with striking high beamed ceilings, rich hardwood floors, and wonderful original details, wainscoting and transom windows \$1,249m

175 W 12th STREET

WEST VILLAGE



Rarely available real 3 bedroom home in a full service condominium flooded with light facing West plus additional space for a home office or playroom. **REDUCED \$1,75m**

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



THE TOWNHOMES OF DOWNING STREET –
 Three newly constructed contemporary classic townhomes on the most discreet block in Greenwich Village.

Offered at \$16,95million.
 For more details, please contact Leonard Steinberg
 T:(917)385-0565

www.downingstreet.us

11 SPRING STREET



This remarkable 1880's landmark has been gut renovated and re-built to the most exacting standards. It is currently set up as three individual units (two triplexes and one simplex). All systems are brand new, and no expense has been spared to restore this landmark to better-than-new condition. All kitchens and bathrooms are of the highest order. A spectacular penthouse with a wrap terrace with superb views comes with a 2 car garage. The building is a sensational investment property as well as a user entity with superb income.

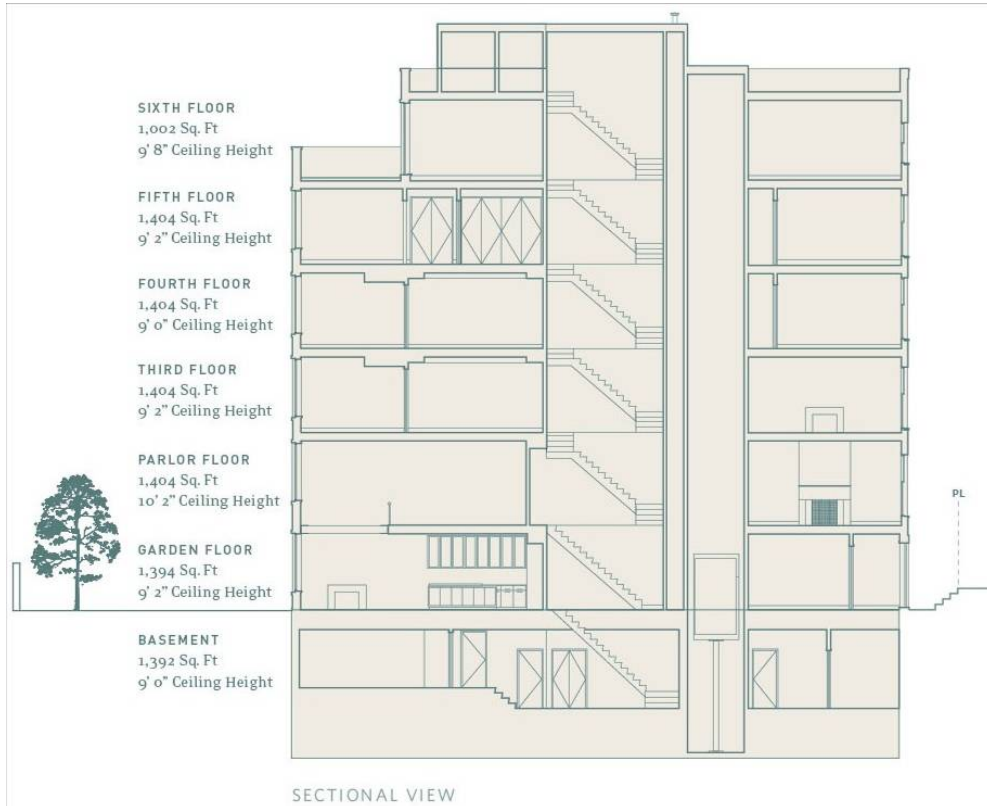
THE CARRIAGE HOUSE: \$7.5m

PENTHOUSE: \$14m
 (Includes a 2 car garage)

ENTIRE BUILDING: \$26m
 (12,000+ square feet, 3 units)

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

123 EAST 61st STREET – MANSION SCALED TOWNHOUSE



An extraordinary, mansion sized townhouse on a prized block steps off Park Avenue. MINT.

For more details, please contact:
Leonard Steinberg (917)385-0565

33 CHARLTON STREET



GREENWICH VILLAGE SOUTH/SOHO



At the heart of the Charlton-King-Vandam historic district, among the richest collection of Federalist and Greek Revival architecture in the US, this property was originally part of Richmond Hill, a 26-acre estate that was home to pivotal American figures including George Washington, John and Abigail Adams and Aaron Burr before it was purchased and re-developed by legendary fur trader and real estate baron John Jacob Astor in the early 1800's. Located steps from Soho and just south of Greenwich Village, on one of Manhattans most picturesque and discrete blocks, this superb house has been completely rebuilt to encompass all the charm of yesteryear with all the modern conveniences to-day's world demands. Behind the immaculate brick facade and inviting stairway porch entry, lies a sophisticated blend of outstanding proportions and the finest materials, painstakingly installed to exacting standards. Light fills this house with a splendid skylight that radiates through the central stairway. Enormous windows face north over the prettiest garden row anywhere in the City. And the house is delivered with a VIRTUAL BUTLER to allow deliveries in a secured holding room as well as full maintenance services. All of the apartment living convenience in the elegant and private setting of a townhouse. **Offered at: \$10 million**

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



120 ELEVENTH AVENUE: Steps from the Highline Park, The Hudson River Park and all things wonderful about West Chelsea. The huge floor-plates offer magnificent space for families to stretch out, with gleaming hardwood floors, exposed brick walls and over-sized windows that flood them with light all day. The elevator opens directly into each of these homes (2 per floor, 5 in total) ranging in size from 3,300 to 4,000+sf, starting at just under \$ 4 million. There are two exceptional penthouses, over 6,500sf in size with significant terraces and views over the Hudson River, starting at \$ 17million. The kitchens are large and feature the best cabinetry and appliances, and the bathrooms are equally impressive. Ducted Central air-conditioning is included. A daytime doorman and nighttime Virtual Doorman are some of the amenities. Chelsea Piers is directly across the Street, and membership is included. Available for Fall 2009 occupancy. Call: (917)385-0565



ALMOST COMPLETED: 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. Fall 2009 completion. 200eleventh.com



MINLUXE—SALES ACTIVITY RISES AGAIN. PRICING UP.

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

of properties sold: 155 SIGNED AND CLOSED (UP COMPARED TO PREVIOUS MONTH)
 Average price: \$1,465m UP (\$1,092/sf.....Price / Sf SLIGHTLY UP compared to previous report)
 Average Size: 1,354sf (UP compared to previous report)
 OUR ANALYSIS: * Pricing rises very slightly. Lows are being tested by multiple bidders.
 * More active than previous month.

MIDLUXE – SALES ACTIVITY EVEN, PRICING SLIPS

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

of properties sold: 62 SIGNED AND CLOSED (EVEN compared to previous month)
 Average price: \$2,887 million (\$1,318/sf... DOWN SLIGHTLY compared to previous month)
 Average Size: 2,200sf (UP compared to previous month)
 OUR ANALYSIS: * Consistently active and stable.

ULTRALUXE – ACTIVITY RISES, PRICING REBOUNDS

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

of properties sold: 14 SIGNED AND CLOSED (UP SIGNIFICANTLY compared to previous report)
 Average price: \$ 4,517 million (\$1,676/sf, UP from previous report)
 Average size: 2,716sf (DOWN compared to previous month)
 OUR ANALYSIS: * Pricing rises and activity almost triples.... This market has been asleep for months and is showing true indicators of waking up.

MEGALUXE –VOLUME UP AGAIN, PRICING RISES

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

of properties: 13 SIGNED AND CLOSED (UP NOTABLY compared to previous month)
 Average price: \$6,335million (\$1,981/sf. UP NOTABLY compared to previous month)
 Average size: 3,629sf (UP compared to previous month)
 * Activity jumps again from a virtual standstill.
 * High inventory has pressured pricing downwards, but lows are being tested through multiple bidders.

HOUSELUXE – LOW VOLUME OF TRANSACTIONS, UNLOCKING

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

of properties: 2 SIGNED or CLOSED (EVEN compared to previous month)
 Average price: \$ 4,125 million
 Average width: 19.5 feet
 OUR ANALYSIS: * Very low activity, although showing volume is strong.
 * A townhouse on Gramercy Park that went to contract for over 25% on top of it's 2007 purchase price may be an indicator of townhouse UNDER-valuation.

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

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.

***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.

LUXETREATS

IL CANTUCCIO

A decades old Florentine bakery is slated to open it's first US outlet in Greenwich Village this October....located at 91 Christopher at the corner of Bleeker Street, the decades old baker is known for its almond and chocolate biscotti..... (Thanks Paulette Demers for the tip!)



LUXEFIND – BAMBOO: The next Black granite?

For use as counters and cutting surfaces, Traditional Bamboo Countertops are a green chef's dream. This flooring, panel, and veneer manufacturer uses sustainably harvested bamboo and a food-safe, formaldehyde-free adhesive for the countertops. The vertical grain, caramelized bamboo face, and contrasting chestnut-strand bamboo core are pre-finished with a food-safe combination of mineral oil and beeswax. They contribute to LEED credits for rapidly renewable resources and low-emitting materials. Available in two sizes: 30 by 96 by 1½ inches, and 36 by 72 by 1½ inches. 800-929-6333: www.teragren.com.



theLUXURYLOFTteam REAL ESTATE SOLUTIONS

Leonard Steinberg T:(212)727-6164
Hervé Senequier T:(212)727-6162
Lois Planco T:(212)727-6150
Terry Nye T:(212)727-6189



Prudential Douglas Elliman Real Estate