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## **Stribling State of the Market Report Cites Signs of Stabilization in Third Quarter 2010 Residential Real Estate Market**

NEW YORK, NY—"If we are in a recovery, which it appears we are, I must note that this has been from the bottom up versus the top down. Happily, we seem to have stabilized and so the news is good for New York City," stated Elizabeth Stribling, president of Stribling & Associates.

The recently published Stribling State of the Market report cites a number of important market observations:

- The residential market appears to have stabilized due to the combination of vastly reduced prices – anywhere from 20% to 30% below the market's peak – and pent-up demand that exploded into a huge burst of sales activity in the fall of 2009. There is no question that the New York City residential market has fared better than other U.S. markets that are still down or recovering at a slower pace.
- Properties are beginning to sell more quickly. If well priced, a property has a good chance to sell in four to six weeks, and even experience multiple bids.
- The sale of 2-bedroom units surged in the third quarter and rose to almost 38% of the market, up from 30% in the prior year's same quarter. Demand for large apartments with three to four bedrooms is enormous.
- The luxury high-end market has begun to step up as affluent buyers can now justify a big purchase by an equally big discount in price on units; over the last year, the biggest percentage drop between original list price and sales price has been in the luxury market, particularly for properties over \$10 to \$20 million.
- That said, the townhouse market has been slow as most sellers refused to accept the overall downturn in prices in the luxury category. Most prime townhouses sold at dramatically lower prices – between 10% and 40% off in some cases.
- Much like the sales market, the rental market is on the rebound, despite having flattened slightly since August. Incentives like broker's fees and a month's free rent are no longer being paid, except in the rare new rental building.
- Credit remains tight at the same time that mortgage interest rates are historically low. However, some lenders are opening up more jumbo loan financing.
- After several decades, Long Island City is finally taking off as an affordable alternative to the Brooklyn neighborhoods of Williamsburg and Dumbo. Likewise, Red Hook is becoming an alternative to Cobble Hill or Park Slope in Brooklyn. In Manhattan, the Upper East Side near Gracie Square and the East River offers best value for starter and luxury apartments alike. Sutton Place also offers good value compared to Park Avenue.

- The role of the broker has changed, yet it remains the same. A good broker is worth every penny of a commission. If a deal seems effortless, you have had the good fortune to have worked with “The Right Broker.”

- Recently, Stribling & Associates was appointed as the New York associate of London-based property brokerage Savills, giving the firm a true global reach.

- At Stribling Marketing Associates, the development market has fared well. Sales at 28 East 10th Street, the Devonshire House, were launched in September 2009, and the building has had tremendous success. Also, 456 West 19th Street, a 22-unit condominium located near the High Line in Chelsea, has had strong sales and is now 60% sold.

“I remain cautiously optimistic for 2011, however, New York continues to hold its own and more in terms of a real estate turnabout. Excellent opportunities await the astute purchaser. I would bet on all the good reasons to buy now,” said Stribling.