



RUBENSTEIN PUBLIC RELATIONS, INC.

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BIG DEAL

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Lots to Spend, Little to Buy

PITY the long-suffering brokers of luxury Manhattan real estate. They endured a lonely spell, waiting for the phone to ring. Few properties sold and few buyers were even looking. Now with the Wall Street bonus season about to begin, they are suffering again, they say, but this time because of a drought in inventory.

After a bump-up in sales over the last few months, brokers say, more wealthy buyers have come back to the table, looking for fabulous apartments at a bargain. But there are precious few listings. "I have clients who feel this is the time to buy," said Felise Gross, a broker at Brown Harris Stevens, "but there is very little prime property to show them."

The listing drought, they say, is most pronounced in large condominiums in the most celebrated new buildings, but also significant in the town house market. And even in the luxury co-op market, where there are more listings, only a fraction have been priced competitively enough to attract buyers, brokers said.

Last week, Thomas P. DiNapoli, the New York State comptroller, gave brokers cheer in a report suggesting that Wall Street had begun to rebound faster than expected.

The report said total compensation at the six largest banks could exceed the \$163.9 billion that was paid in 2007, before the financial crisis. But some Wall Street segments like hedge funds are still weaker than before, and the securities industry is down 28,300 jobs in the city (though the number of jobs rose slightly in September). State budget officials are predicting a 22 percent decline in total cash bonuses across New York State, the report said.

In short, with employment down, a smaller number of Wall Streeters could be dividing up a larger bonus pool, though some of it will be in deferred earnings.

These buyers are joining a market already crowded with wealthy foreigners looking to take advantage of the weak dollar, brokers said.

Robby Browne, a Corcoran broker, said he had

several wealthy clients seeking trophy properties but had nothing to show them that was "good to buy." He noted that a town house at 92 Charles Street, owned by Armon Bar-Tur, a founder of Safe-Harbor Capital Partners, a real estate investment firm, went into contract less than two weeks after it was listed late last month.

When sales first began to pick up over the summer, brokers say, some of the best-priced listings were sold; they have not been replaced by a new supply of similar listings.

Buyers who might have been self-conscious about buying luxury apartments in the midst of the recession are now back in the market, said Kirk Henckels, the director of Stribling Private Brokerage. "Now when you can say you bought it at a third off of its previous value, it is not quite so embarrassing," he said. "You look smart."

Nowhere is the luxury drought more apparent than at 15 Central Park West, the new condo at West 62nd Street, which not long ago had a listing for \$80 million. That unit, a 5,200-square-foot four-

bedroom, finally sold in September for \$37 million.

A three-bedroom owned by Beny Alagem, the founder of Packard Bell Electronics, was listed for \$24 million and sold at the end of September for \$19.9 million. An apartment listed for \$15.5 million is now in contract.

Now only 11 smaller apartments are on the market, with asking prices ranging from \$3.2 million to \$13.9 million. At the recent sales rate, that would amount to a three or four months' supply.

The buyer of Mr. Alagem's unit, Stuart Peterson, an investor in YouTube before it was sold to Google, also wanted a staff apartment. So, property records show, he paid \$1.625 million for a 463-square-foot studio in the building, which works out to \$3,510 a square foot. That comes close to matching the original sale prices for some smaller one-bedrooms facing Broadway rather than Central Park.

Arthur Zeckendorf, who developed the property with his brother, William Lie Zeckendorf, said they had decided to sell one of their own two staff apartments because "they approached us."



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15 Central Park West

