

December 2014 Observations

Village Houses

An endless number of quirky small houses are in the Village. Often times they have no cellar. Prices are always around \$3000/ft. but because these houses measure only 2000-3000 sq. ft., it's a way to get into the competitive downtown market with less than \$10M. I have seen these done over into 2 bedroom homes with multi-level living areas which make a lot of elegant sense.

Townhouse Pre-Sales:

While luxury apartment sales (some define as over \$4,000,000) are at a record high, townhouse sales are not. One difference: with half of all luxury apartment contract signings being for yet to be built apartments, this phenomenon has not taken hold in the townhouse world. Not to say that there aren't developers urging their broker to sell their product with nothing but construction plans and title in hand. The good news is that some of the finest houses that developers have built in NYC in years are becoming available. It is a pleasure (in some cases a rare treat) to tour these creations after the finish work and staging is done, knowing they will be in contract shortly. The number of townhouses sold off of plans are few, with Greenwich Lane, a hybrid of 5 houses in a condo complex on West 12th Street, as a notable example.

The one of a kind mentality that has driven the art world to new heights has yet to take hold in the townhouse market. Inexplicable since houses number far fewer than apartments in any location and houses are so singular that, when done right, are truly a work of architectural art.

Party Walls and New Construction:

For townhouse owners, the appearance of construction scaffolding on an adjacent property can be jarring, in some cases alarming if unannounced. You have rights as an owner when an adjacent property owner intends to do work which may affect your property. Knowing your rights is critical. Let me know and I can direct you to several excellent articles and resources. You can always begin by going to the Department of Buildings web site (www.nyc.gov/buildings), click on the "Building Information System (BIS)" link, enter the property address, and select "Jobs/Filings" to look for work that has been filed for approval.

Seller Indifference:

Owners who say list but don't care if they sell: this is not a new story but it has become a bit of a phenomenon. These owners have every confidence that the market will continue to rise, and it is just a matter of time before someone meets their price. These listings do little to inform buyers and distort the market place for everyone because they give the impression of many more properties for sale than there actually are. But because anything is possible brokers will and should take such listings. Are brokers paid to think or to do? Remember they only get paid if they do. So as long as the broker can convey the property information to prospective buyers and knows when to ask for the check, the seller is satisfied. That so many sellers today feign indifference to the outcome seems unusual to me.

Notable Townhouse Sales this Fall:

The Upper West Side had its first sale over \$15M this year with the contract signing of the 23' wide *9 West 82nd Street* asking \$16,900,000.

Chelsea had a busy fall, with a handful of new single family listings coming on the market, one of which, *460 West 22nd Street*, a 16' wide 6,000 sq. ft. renovated house went into contract asking \$16,250,000 - a Chelsea record!

A number of Upper East Side trophy properties sold this fall. These include the sale of *19 East 70th Street*, the 30' wide former Knoedler Gallery, for \$50,250,000 in November. The property had previously sold in August of 2013 for \$35,000,000. Interestingly, the recent sale included approved plans for a single family home.

The Village was slow on high-end sales this fall, with the only reported contract signed over \$15M being on the 25' wide renovated single family at *79 Horatio Street* which was asking \$22,500,000.

There were some low sales this fall as well: an 18' wide 4-unit house on a park block in the West 90's came on the market asking \$6.5M, quickly and quietly closed for \$5M (a steal!), and is back on the market asking \$6.5M again... it doesn't hurt to offer low - you never know.

Wolf Jakubowski

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1. **"NYC Landmarks Preservation Committee Rowhouse Manual"** Check here to request a free complete bound copy of these city landmark guidelines.
2. **Individual property analysis.** Check here to request a free consultation with Wolf on the potential value of your property.
3. **"Structuring a Buy-out of a Tenant."** Attorney Mitchell Zingmann's advice on how to buy out a tenant amicably.
4. **"Choosing a Townhouse" by Adam Gordon.** Zoning, tenant issues, and three case studies.
5. **"Rent-regulated tenants who do not use the apartment as their primary residence"** may be evicted. Learn in advance if a suit is worth the trouble, by Sherwin Belkin, Esq.
6. **"Heating Oil Tanks-What You Should Know" by Chuck Merritt.** Full article, including why lenders and insurers care about the presence of oil tanks.
7. **"Combining apartments without a lot of fuss."** Andrew L. Pettit, AIA, offers an overview of combining apartments in New York City.
8. **Understanding townhouse architecture.** The architectural styles and distinctive details that define a New York townhouse.
9. **"Constructing Your Townhouse in 14 Months" by Adam Gordon.** Eight valuable tips on how to fast track a major townhouse renovation.

10. **Townhouse Research Methods.** A concise summary of the latest townhouse research sources.
11. **"NYC Real Property Taxes"** as explained by William Block, Esq.
12. **"Your Townhouse Renovation."** Noted architect Don Zivkovic gives pointers on renovating your townhouse and the cost savings available today.
13. **Understanding ECB Violations.** A brief overview on ECB Violations and how to cure them.

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