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LATE CITY FINAL

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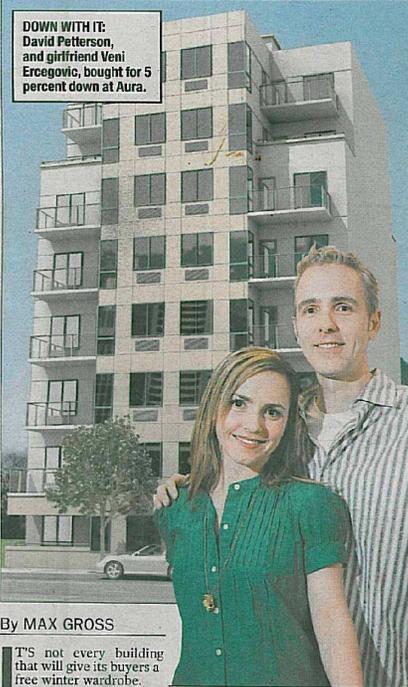
COVER STORY HOME 45

Free for all

Buildings throw in wardrobes, parking and other perks to sweeten the deal

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DOWN WITH IT: David Petterson, and girlfriend Veni Ercegovic, bought for 5 percent down at Aura.



By MAX GROSS

IT'S not every building that will give its buyers a free winter wardrobe.

But that's basically what Atelier gave first-time New York-buyer Mike Feliton when he bought a one-bedroom condo there.

No, the developers of the building on West 42nd Street didn't take Feliton to Saks Fifth Avenue and help him pick out a new Cole Haan coat for himself and an aqua-blue Marc Jacobs for his girlfriend. But they let him put his \$90,000-plus down payment on his American Express card, which gave

Christina Johnston

him all the bonus points he needed to fund his shopping spree.

"That was quite shocking," says Feliton. "When I was getting ready to write out the check, I was just joking around and said, 'Can I put this on my card?' They said yes. It worked out to a \$1,000 gift certificate at Saks."

Feliton isn't the first buyer at Atelier to figure out that his new building could get him all sorts of free swag.



"I'm aiming to go to Eastern Europe," says Mabel Ng, another first-time buyer who recently bought a one-bedroom at Atelier, who put her down payment on her AmEx and plans to use the points for a vacation.

"Prague, maybe. Or Germany. There are so many places on the list. Australia, maybe." Yes, life can be pretty sweet for a first-time buyer in today's New York real-estate market.

Plenty of buildings are offering perks and sweeteners to lure in buyers. And the federal government has been only too willing to nudge them along, thanks to the economic-stimulus package passed earlier this month.

One of the provisions of the plan calls for raising the limit for conforming mortgages. The cap has been \$417,000 and is expected to climb significantly. "I heard a rumor that, in New York City, it'll go up to \$600,000," says Melissa



BOOTY CALLS: Mike Feliton (above left) got a wardrobe thanks to Atelier; Mabel Ng (right) is taking a trip.



Rick Press/3

Cohn, president of Manhattan Mortgage, who adds that the limit should be raised in the next couple of weeks.

Raising the cap on conforming mortgages will allow more buyers to borrow more money at lower rates — and likely bring more first-time buyers into the city's buildings.

"Definitely, it'll be a nice little shot in the arm for the market," says Cohn.

And developers are only making the entire buying process easier — and more fun. Buildings are picking up closing costs. Or they have on-site mortgage brokers who will

instantly approve you for a mortgage — and shave points off your rate. A few require just 5 percent down. Some are throwing in a washer/dryer or a parking space.

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Extras, extras!

We found a slew of buildings offering buyers unique incentives. They include:

» **Atelier**, at 635 W. 42nd St., is allowing buyers to use American Express for their down payment. In addition, the building includes celebrity residents like Nick Lachey and Lindsay Lohan, who are living in

their apartments for free. (That's one perk you probably won't be able to negotiate.) We hear that Lindsay might host a photo



exhibition in one of the common areas next month to raise money for the Red Cross. But no, it's not those photos.

» **Morgan Court** at 211 Madison Ave., which is taking a straightforward approach and offering to pay for their closing costs — or negotiating a lower price for units. (So far, all the buyers

have opted for a cheaper price.)

» **The Clement Clark** at 140 W. 22nd St., where the developer is paying the buyer's transfer tax.

» **FultonOnClinton** at 936 Fulton St., in Clinton Hill, Brooklyn, which will throw in a washer/dryer if you use the building's mortgage broker from Preferred Mortgage.

» **Williamsburg's 483** Washington St. Building, which has an on-site mortgage broker who can offer instant approval and take points off your mortgage.

» **Citview Condominiums** at 41-32 44th St. in Sunnyside, Queens, has offered buyers free parking spots, each of which is valued at around \$25,000.

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And, in many cases, this has proven effective.

"If it were a larger down payment and we weren't really jazzed by the place, we wouldn't have pulled the trigger," says David Petterson, who looked at the Aura building in East Harlem, which required only a 5 percent down payment. Given that he had to put just \$26,250 down for his one-bedroom, he pulled the trigger.

"In this day and age, you have to negotiate a little bit," says Cheskel Schwimmer, developer of the Sloane, another East Harlem condo building that's allowing a 5 percent down payment. "You have to do some hand-holding with the buyer."

The Sloane, which starts sales next week, "has a waiting list of a couple of hundred people," Corcoran Group broker Valerie Dominguez notes, so it appears the building's flexible financing will pay dividends.

For some developers, throwing in perks and freebies is the way to keep the price point high.

"It allowed the sellers to really hold firm on their price and to not devalue the building," says Steven Marder, who bought a 942-square-foot one-bedroom at 865 UN Plaza, a recent condo conversion, for \$835,000 — but paid no closing costs. "They said, 'We're not discounting the prices — the prices are what they are — but this extra 5 percent in closing costs we'll credit to the buyers.'"

Marder and his wife, Randi,

took the \$40,000 they saved and set about painting their new condo, putting new doors up and getting new TVs in the bathroom and kitchen.

"It's been an incredible response," says Louise Phillips Forbes, executive vice president at Halstead Property, which is selling 865 UN Plaza. "People say, 'Are you serious?'"

So, is there something wrong with buildings at which such perks are offered?

"I wouldn't say it's a common practice," says Hal Henenson, executive director for new development for Prudential Douglas Elliman. "But it's new developments that are priced a little higher than they should be, or the developer wants to get rid of the last few units."

"You get concessions not from the beginning, not when they first start up — it's when they want to get the business wrapped up," says Leslie Lazarus, a broker with DJK Residential.

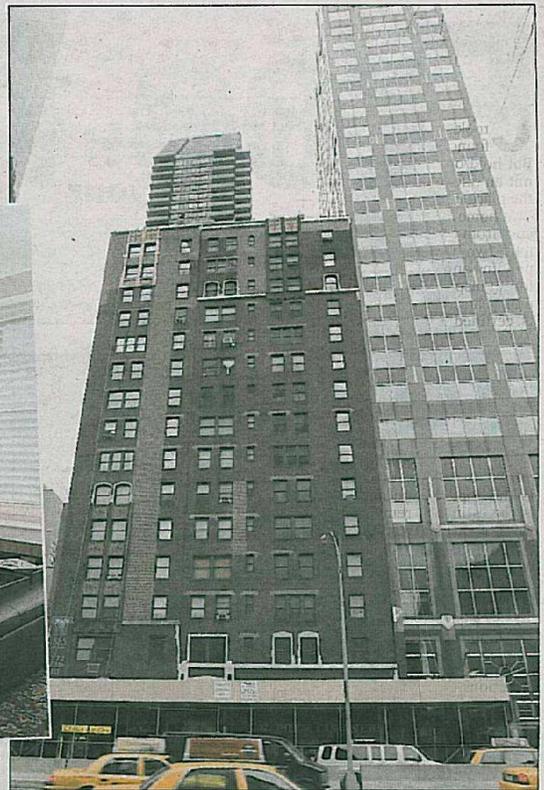
And the add-ons and savings are hardly chump change. Lisa Maysonet, a broker with Prudential Douglas Elliman, is selling Citiview Condominiums in Sunnyside Gardens, a build-

ing that's offering free garage space to buyers rather than lowering the apartment prices.

"It's more than just the fluff," says Maysonet. "You can get a nice fancy [gift] basket, and that's nice ... but [in Citiview] they threw in parking, which in some cases can be worth \$20,000, \$25,000. Storage space and garage space are biggies."



NO FEES FOR ME: Steve and Randi Marder bought at 865 UN Plaza and didn't pay closing costs.



Christian Johnston(2)