

# THE REAL DEAL

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## The name of the high-end game: extreme price cuts

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What goes up must come down. Sellers who once jockeyed for the highest sales prices are now struggling to outdo each other with massive price cuts.

This weekend, a seventh-floor, four-bedroom spread at 15 Central Park West listed with Nancy Candib of Brown Harris Stevens saw its price slashed by \$5 million to \$25 million. Guy Wildenstein, the president of Wildenstein Galleries, chopped the asking price of his sprawling 8,000-square-foot home at the Plaza by more than \$4.1 million earlier this week to \$42.4 million. And the price of a four-bedroom condo at 47 East 91st Street fell \$2 million Monday to \$17.85 million.

"It's not chic to be full-price anymore," said Kathy Braddock, co-founder of real estate consultancy Braddock + Purcell, and Charles Rutenberg Realty in New York.

Candib, a senior vice president at Brown Harris Stevens, said deep price cuts are key to winning a buyer's attention in the current market.

"Price does sell, and value sells," she said, adding that the price cut on her 15 Central Park West listing has already prompted several phone calls from buyers.

The owner, Ravi Singh, paid \$15.87 million for four-bedroom unit 7A in the storied limestone condominium on March 20, according to city data. He originally sought to [double his investment](#), putting the unit on the market September 17 for \$32 million.

Other sellers at 15 Central Park West had received double the price they paid for units in the building, Candib said, so at the time, the price seemed reasonable. But since the market has turned, sellers like Singh have had to accept the fact that such astronomical profits are no longer possible, even in sought-after buildings like 15 Central Park West.

"This is not the frenzied market of a year ago," Candib said. "He's lowered his expectations."

In October, Candib slashed the price to \$30 million. But offers still came in far below the asking price and showings were slowing down, so Candib felt it was time for a large cut to reignite interest in the property. She purposely priced the unit at \$25 million, significantly less than a recent comparable in the

building. Unit 38A, a higher-floor apartment with a terrace, sold December 12 for \$27 million.

"I felt that we should put the carrot out there," she said. "This is a very good bargain."

When it comes to pricing, sellers have been somewhat unrealistic up until now, Braddock of Braddock + Purcell said.

"Sellers are finally getting the memo: prices need to come down," Braddock said. "I actually think buyers are at the point now that [they're saying], 'thank God, sellers are waking up.'"

Roger Erickson, a senior managing director at Sotheby's International Realty, estimated that many buyers now expect a discount of 20 to 30 percent, depending on the unit's original price.

He's listing a unit at the Plaza for \$38 million, down from the original price (listed in September with another broker) of \$55 million. Another one of his listings, a two-bedroom at 812 Fifth Avenue, is now on the market for \$3.65 million, down from \$4.950 million a year ago after a co-op board rejection, Erickson said.

"Buyers certainly are looking for discounts," Erickson said. "If it started high and then has gone through a rather substantial cut, that seems to be appealing to buyers in this market."

One downside of large price cuts is that potential buyers may see them as an opening to submit very low offers, Candib said.

"It runs a little risk that [buyers] may try to lowball," she said.

But if sellers are motivated to sell in the current market, they may have no other choice.

"If people want to move, they get with the game plan," Erickson said.

*With additional reporting by Lauren Elkies*

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