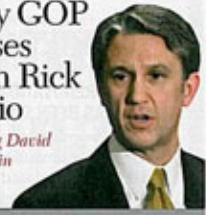


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Rooftop cabana, anyone?

Condo buyer, broker perks move units as pace of sales picks up slowly citywide

BY AMANDA FUNG

LAST WEEK, more than 300 brokers gathered at an open house to unveil Griffin Court, a 95-unit luxury condominium in the Clinton neighborhood on Manhattan's West Side. Brokers got not only a complimentary catered lunch but also the choice of a 42-inch flat-screen television or an Apple iPad for each sale they chalk up for the building by April 30. And to make those sales all the easier, the developer promised to pay all the transfer taxes for the first 15 buyers.

"It's been a tough couple of years," says Kenneth Horn, president of Alchemy Properties Inc., developer of Griffin Court. "We want to bring a lot of attention to the property."

Despite signs that sales of new condominiums and co-ops have picked up in recent months, developers all across the city are finding it hard to wean themselves off giveaways and other broker and buyer incentives. Offers of several months without common charges, along with other goodies, have become an enduring part of developers' marketing efforts. Even many of those who officially frown on giveaways will offer them if pressed.

"It depends on the situation," says Scott Avram, a senior project manager at Toll Brothers Inc., which has new developments in Manhattan and in Williamsburg, Brooklyn. "Most developers are open to discussions and will entertain buyers' requests."

The reason is clear. Although condo contract signings in new Manhattan developments, for example, more than doubled in the three months ended Feb. 28 compared with the same period a year earlier, they pale in comparison to the highs hit in 2007, according to StreetEasy.com.

Sales overhang

FURTHERMORE, there were 6,851 units on the block during last year's final quarter—which doesn't include the 6,000 units of shadow inventory from stalled projects that will eventually come to market, according to appraisal firm Miller Samuel Inc. and brokerage Pru-

dential Douglas Elliman. In addition, it takes three months longer for a unit to sell than it did just a year ago.

"Based on preliminary contract-signing information, activity levels remain low," says Jonathan Miller, chief executive of Miller Samuel.

No wonder developers are doing whatever they can to drum up sales. The Stahl Organization, the developer of L Haus in Long Island City, Queens, is offering buyers of apartments with two or more bedrooms \$10,000 toward their closing costs and a two-month holiday

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INVENTORY

6,851

CONDOS/CO-OPS
on the market
in 4Q 2009

Source: Miller Samuel,
Prudential Douglas Elliman

KENNETH HORN: "It's been a tough couple of years," says Griffin Court's developer.



A rooftop cabana?

Continued from Page 3

from common charges if they sign by the end of this month. The next six buyers at the 122-unit condominium will get a free private rooftop cabana of up to 505 square feet—a \$70,000 value.

"One-bedroom sales have been brisk," says Karen Mansour, the director of sales and marketing at Prudential Douglas Elliman. The brokerage is handling L Haus, for which 25% of the units are in contract or sold. "Two-bedrooms are targeted to a different audience, and we wanted to awaken those buyers with incentives."

Even developers who have sold

out the bulk of their condo projects are embracing giveaways to move their last unsold units. Although SJP Properties has sold 85% of the 220 units at Platinum, its new tower near Times Square, the developer recently reintroduced a "fly and buy program," picking up the cost of a round-trip ticket to New York for out-of-state and overseas buyers. The program had been part of the original marketing blitz in 2007.

Developers woo brokers

"INCENTIVES ARE like the cherry on top," says Vie Wilson, a broker at The Corcoran Group, who is marketing South Harlem condo SoHa

118. "Perks push buyers. They are stimulants."

Many developers are also continuing to woo brokers with various goodies.

"Anything that brings in more brokers results in more sales," says Noel Berk, a principal of residential brokerage Mercedes/Berk, who attended last week's Griffin Court open house. "It's worth it in the long run."

To prime the pump at SoHa 118, the developer is offering brokers who sell more than one unit there an additional 1% commission for each sale.

"If it is between two good buildings and one has an incentive for me and the buyer," says Lawrence Rich, a broker at Prudential Douglas Elliman, "I would go for the incentive." ■