

# EDWARD LEE CAVE

## DIVISION

### **A TOP-HEAVY TOWNHOUSE MARKET**

On the Upper East Side  
February 11, 2013

A search of our listing system indicated 69 townhouse listings<sup>1</sup> on the Upper East Side, from 60<sup>th</sup> to 96<sup>th</sup> Streets. Among these, 7 are listed at \$3,750,000 to \$4,995,000, 24 are listed at \$5,000,000 to \$9,999,000, and the remaining 38 are listed at \$10,000,000 or more.

A comparison of these figures with those in my "Report on Upper East Side Townhouses Sold in 2012" (see [sicularassociates.com](http://sicularassociates.com)) indicates a very top-heavy market. While the number of current listings reasonably related to the number of 2012 townhouse sales under \$5,000,000 (11) and from \$5,000,000 to \$9,999,000 (21), there are many more houses listed at \$10,000,000 or more than there were sales last year (only 13).

While it is possible that there has been a rush of the most valuable townhouses to the market, it is also possible that current asking prices are not realistic.

To investigate further this \$10,000,000 + category, these 38 houses are summarized on a table at the end of this analysis. Please note that all of the relevant data is per the relevant brokers' listings.

### **Time on the Market**

Only 5 are new to the market, listed since January 1<sup>st</sup> of this year. Nineteen were listed in 2012, 8 in 2011, 4 in 2010, and 2 in 2006 or 2007. A number have had price increases since they were first listed. Among these only two are under contract. As a group, these houses are not selling rapidly.

### **Comparing with 2012 Sales**

Comparing these houses as a group to the 13 houses that sold for \$10,000,000 or more in 2012<sup>2</sup>, there are some differences:

--In 2012, 2 of the 13 houses were on 5<sup>th</sup> Avenue, while four (31%) were on park blocks between Madison and Fifth Avenues. With one exception the remaining houses were all located west of Lexington Avenue. Among the 38 current \$10,000,000+ listings, none is on Fifth Avenue, 10 are on park blocks (26%), and eleven (29%) are located east of Lexington Avenue. As a group, the listings are less well located.

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<sup>1</sup> As of February 5, 2013, including those with contracts signed. These are either single-family houses or can be converted/built to single family use. Source is the Real Estate Board's RLS system as reported by RealPlus.

<sup>2</sup> "A Report on Upper East Side Townhouses Sold in 2012", January 1, 2013, revised February 5, 2013 [sicularassociates.com](http://sicularassociates.com)

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--In 2012, the narrowest of these houses was 19'9". None of them exceeded 28'. Among the current listings, 5 are only 16-18.5 feet wide. On the other hand, three measure 30, 35 and 40 feet in width. The current listings are both narrower and wider.

--In 2012, the smallest of these houses were about 5,100 square feet. The remaining were over 6,000 square feet and five (38%) had 10,000 square feet or more. Among the current listings, two have less than 5,000 square feet, and a third has 5,287 square feet. Thirteen (34%) have 10,000 square feet or more.

--Regarding condition, 6 of the houses that sold in 2012 were renovated or newly renovated. Among the listings, 19 are renovated or newly renovated, roughly the same proportion.

--Regarding price in 2012, three sold at \$1,300 to \$1,400 per square foot. All the remaining sold for over \$1,900 per square foot. The highest sale prices were in the mid and upper \$2,000's, while the highest sold at \$3,168 per square foot. Among the current listings, 13 (34%) are asking over \$3,000 per square foot, a huge increase.

In whole prices, in 2012, seven houses sold for under \$20,000,000 (54%); three (23%) sold in the twenty millions; one sold at \$32,000,000 and another at \$42,000,000. Among the current listings, 17 (45%) are asking under \$20,000,000; 14 are asking in the twenty millions (37%); four are asking in the thirties (11%); two in the forties, and one is asking \$90,000,000.

The current listings, as a group are both less well located and more expensive. Differences in the other parameters are less dramatic.

### ***Individual Houses***

Following are two examples of houses asking \$10,000,000 or more, their characteristics and their pricing.

In the East 90's, between Park and Lexington Avenues, a 25', clapboard, four-story house of about 4,300 square feet was recently listed for \$10,500,000. The house has daylight, good ceiling heights and square rooms. The original stair bannister is intact and the stairhall is wide. Ceiling and doorway moldings are plain but substantial. It has been remodeled and superbly maintained and an elevator has been added, although the improvements are no longer brand new. Regarding pricing, a former carriage house, with a stable and about 5,500 square feet, at 113 East 90<sup>th</sup> Street, sold in 2011 for \$9,875,000. Otherwise, Carnegie Hill townhouse sales, between Park and Lexington Avenues, have ranged from approximately \$3,000,000 to \$7,000,000 over the past few years, calling this asking price into question.

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## D I V I S I O N

In the East 70's, between 5<sup>th</sup> and Madison Avenues, a five-story, 22', neo-Georgian house of about 7,800 square feet was listed last July for \$24,000,000 and is still listed at that price. There are two very grand and nicely detailed rooms on the parlour floor, and the third floor bedrooms are very generous, but the house is presently divided into a triplex and four smaller apartments. Significant work would be required to re-create the original mansion. Three other park-block single-family houses selling between \$21,000,000 and \$24,750,000 in 2012 and 2011 were all both undivided and renovated. (These ranged from 6,900 to 12,500 square feet.) In this case, the asking price does not appear to reflect condition.

### **Conclusion**

The heavy number of listings at the top end of the Upper East Side townhouse market is unfortunate. In addition to size and quality, values at the upper end of the market depend on the perception of rarity. This is certainly not the case at present. Individual owners' decisions--that their houses' unique characteristics merit the highest prices--has the opposite result in aggregate. Excess supply commodifies any market, as buyers question the validity of price, and it puts downward pressure on those owners who truly want to sell.

If I can answer any questions or help you with the purchase or sale of a townhouse, please contact me at [larry.sicular@sicularassociates.com](mailto:larry.sicular@sicularassociates.com) or at 212-749-9525.

*Lawrence Sicular*

### WHO IS LARRY SICULAR?

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*Upper East Side Townhouses Listed at \$10,000,000 or more as of February 5, 2013*

<i>Address</i>	<i>Cross Streets</i>	<i>Listed Date</i>	<i>Last Price Change</i>	<i>List Price</i>	<i>Width (ft.)</i>	<i>Approx Size (SF)</i>	<i>\$/SF</i>	<i>Condition</i>
128 E93rd	Park/Lex	1/25/13	1/25/13	\$10,500,000	25'	4,372	\$2,402	renovated
19 E75th	5 <sup>th</sup> /Mad	6/22/12	6/22/12	\$12,000,000	31	4,742	\$2,530	needs work
117 E64th	Park/Lex	6/1/12	c/s	\$12,000,000	20	7,140	\$1,681	updated
116 E61st	Park/Lex	11/7/12	1/24/13	\$12,495,000	18	4,000	\$3,124	triple mint
407 E75th	1 <sup>st</sup> /York	1/07/13	1/07/13	\$12,500,000	25	8,475	\$1,475	renovated
151 E72nd	Lex/3 <sup>rd</sup>	2/01/12	c/s	\$13,000,000	18.5	6,500	\$2,000	newly renovated
1211 Park	93 <sup>rd</sup> /94 <sup>th</sup>	1/03/13	1/31/13	\$13,490,000	20	5,287	\$2,552	partially renov.
178 E64th	Lex/3 <sup>rd</sup>	11/03/10	5/08/12	\$13,950,000	20'10"	7,250	\$1,924	extraordinary reno
34 E62nd	Park/Mad	1/15/13	1/15/13	\$15,000,000	20	8,724	\$1,719	vacant land
184 E64	Lex/3 <sup>rd</sup>	10/5/12	10/11/12	\$17,400,000	25	11,565	\$1,504	to be combined
21 E84	5 <sup>th</sup> /Mad	7/18/07	7/20/12	\$17,900,000	22	7,980	\$2,243	renovated w/store
120 E71st	Lex/Park	11/15/11	1/7/13	\$18,000,000	16	6,600	\$2,727	newly renovated
163 E63rd	Lex/3 <sup>rd</sup>	5/3/12	9/5/12	\$18,000,000	40	11,000	\$1,636	partially redone
59 E82nd	Mad/Park	9/13/12	11/19/12	\$18,995,000	18	7,600	\$2,499	redone
178 E75th	Lex/3 <sup>rd</sup>	10/3/06	10/27/11	\$19,000,000	16'	6,600	\$2,879	renovated
176 E64th	Lex/3 <sup>rd</sup>	3/22/12	3/22/12	\$19,500,000	20	6,600	\$2,955	recently redone
350 E81st	2 <sup>nd</sup> /1 <sup>st</sup>	4/26/12	4/26/12	\$19,500,000	24'8"	9,815	\$1,987	new construction
48 E74th	Mad/Park	7/9/12	12/28/12	\$21,000,000	20	6,268	\$3,350	specific remodel
131 E64th	Park/Lex	10/19/10	9/7/11	\$21,500,000	20	10,000	\$2,150	newly renovated
232 E63rd	3 <sup>rd</sup> /2 <sup>nd</sup>	5/20/11	1/29/13	\$22,000,000	25	11,400	\$1,930	renovated
18 E73rd	5 <sup>th</sup> /Mad	7/9/12	7/9/12	\$24,000,000	22'	7,771	\$3,088	to be combined
5 E93rd	5 <sup>th</sup> /Mad	3/21/11	3/21/11	\$24,500,000	22	6,254	\$3,917	mint
120 E78th	Park/Lex	9/9/11	1/14/13	\$24,500,000	18	11,000	\$2,227	unknown
16 E95th	5 <sup>th</sup> /Mad	4/28/11	1/07/13	\$24,900,000	18	8,000	\$3,113	newly renovated
14 E82nd	5 <sup>th</sup> /Mad	3/6/12	11/09/12	\$25,000,000	22	10,058	\$2,486	unknown
39 E72nd	5 <sup>th</sup> /Mad	11/21/12	11/21/12	\$25,000,000	27	14,000	\$1,786	to be combined
53 E64th	Mad/Park	9/21/10	1/10/13	\$26,000,000	18	7,228	\$3,597	to be combined
106 E71st	Park/Lex	3/4/10	10/11/11	\$26,500,000	25	10,235	\$2,589	triple mint
163 E64th	Lex/3 <sup>rd</sup>	7/19/11	1/07/13	\$26,500,000	20	8,000	\$3,313	updated
54 E64th	Mad/Park	8/6/12	1/31/13	\$28,000,000	25	10,500	\$2,667	triple mint
39 E74th	Mad/Park	1/11/13	1/11/13	\$29,995,000	20	8,500	\$3,529	triple mint
45 E74th	Mad/Park	11/26/12	11/26/12	\$30,000,000	20'	9,000	\$3,333	new interior
170 E80th	Lex/3 <sup>rd</sup>	1/20/11	5/4/12	\$31,000,000	22	10,822	\$2,865	new reconstruction
7 E63rd	5 <sup>th</sup> /Mad	10/4/12	10/4/12	\$32,000,000	25	9,250	\$3,459	restored
19 E70th	5 <sup>th</sup> /Mad	6/29/12	6/29/12	\$38,000,000	30	20,575	\$1,847	art gallery
34 E62nd	Mad/Park	4/10/12	4/10/12	\$40,000,000	20	8,040	\$4,975	to be built new
57 E64th	Mad/Park	11/28/12	11/28/12	\$48,000,000	25	14,000	\$3,429	Renovated 2005-10
4 E80th	5 <sup>th</sup> /Mad	3/14/11	3/14/11	\$90,000,000	35	19,950	\$4,511	unknown

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