



New York Post: Marc Vederfsky

**MARKED DOWN:** 7 E. 69th St. built in 1986 and still looking for a buyer, has lowered its asking price to about \$6 million.

# Mansion prices in the stratosphere

Continued from Page 53

independent broker, an investment banker who four years ago paid \$1.6 million for the townhouse, which once belonged to Jules Bache, is now putting it up for sale at about \$10 million.

The house formerly had held nine apartments, Palmer said. "A lot of houses on the market have not yet been reconverted but could be," Palmer commented.

She added, however, that reconversions had begun to slow because the courts have been "lenient" to "holdover tenants even though their rents might not be controlled."

Reed said that "the direction is certainly towards reconversions in contrast to the trend to chop townhouses up into condos a few years ago."

Most brokers do not have data on the total inventory or how many houses have been "reconverted." They note that the universe is small, that sales usually

take much longer, and that not all townhouses have astronomical prices.

"Sales are off in terribly overpriced properties that have been lingering at \$4 million and up for several years and will drop," Leslie Garfield, another townhouse specialist, predicted.

Despite their attractiveness, few new townhouses have been built.

One new, speculative house on the market, unsold since it was completed in 1986, is 7 E. 69th St. Clark Halstead of The Halstead Property Group, exclusive agents for the 6-story structure owned by European investors and designed by Hobart Betts, said its \$6 million price is "slightly lower than when originally offered."

"There are only a handful of transactions north of \$5 million, so you don't expect to sell them quickly," Halstead said.

He said the townhouse market is "very strong now — town-

houses offer very good value in terms of per sq. ft. prices in comparison with many top apartments."

Rarer still are groups of townhouses.

One group is the four contiguous buildings at 112-118 E. 61st St. between Park and Lexington Avenues. They are owned by Peter Ausnit and once were optioned to Park Tower Realty, which had considered tearing them down along with two adjacent apartment buildings on Park Avenue for a major new project.

According to Robert Knakal of Coldwell Banker, the buildings are being offered as a package for \$7.8 million. They are vacant and need renovation. He said,

Another group was built several years ago by Sheldon Solow on 67th Street west of his high-rise rental project on the west side of Second Avenue between 66th and 67th Streets.

# They have remained empty, perhaps because, as one broker put it, "they look institutional."

"Sadly, most houses were mutilated after World War II and there are very few in good shape," remarked Edward Lee Cave, another broker.

"If I have 20 clients, 19 are interested in apartments. If I have a very nice \$3 million apartment and a \$3 million townhouse, the apartment will sell in three months and the house in a year," Cave said.

An added problem, Cave continued, "is that the major decorators and architects are overburdened now" so there is a wait to get a house into shape.

On the plus side, security is not as great a problem for those who can afford the better houses: "It will be full of servants and New York is where you can get all the help you need," Cave said.