

# Bloomberg

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## **'\$1 Million Price Drop!' The Eager New Language of Manhattan Home Listings**



*Property on West Fourth Street Photographer: Krisztina Crane for Evan Joseph Studios*

When a three-bedroom condo in Tribeca got its fourth price cut in a year, the sales broker, Steve Snider, didn't leave it at that. He also spiced up the listing to make sure potential buyers didn't miss the news.

"New price. Motivated seller. Bring offers!" reads the pitch for the 2,287-square-foot (212-square-meter) apartment at 71 Laight St., revised last month. The current asking price, \$5.795 million, is less than what the seller paid three years ago.



*71 Laight St. Source: CORE*

The days when Manhattan homes practically sold themselves are over. Now, buyers fearful of overpaying are on the sidelines, and sellers and their brokers are looking for ways to coax them off. Agents are reworking their listing texts to signal that their clients' attitudes have shifted after years of clinging to lofty price goals -- that they are, in no uncertain terms, willing to make a deal.

"When we were overpriced, there wasn't much we could say," said Snider, an agent with Core, who said the updated Tribeca listing brought three qualified buyers in for a look. "This really is ready for an offer, for somebody to come in and get a good deal."

Phrases like "Price improvement!" and "Bring all offers!" -- even the promise of free cupcakes -- are being deployed to lure shoppers to lingering properties. It's a sign of the times in Manhattan, where the inventory of available homes in June was the highest it's been for the month since 2011, according to real estate website StreetEasy.

### **'Tremendous Lowballing'**

"PRICED TO SELL RIGHT NOW! \$200,000 MASSIVE PRICE CUT! OWNER SAYS TODAY!" reads a listing by Corcoran Group's Laurie Lewis for a Chelsea condo that's been for sale since the end of 2017. The actual price cuts -- two since it was first offered at \$3.195 million -- generated much more response than anything in the descriptive text, Lewis said in an interview. But every bit of cheerleading helps at a time when buyers won't bite unless they feel they're getting value, or a steal.



*71 Laight St. Source: CORE*

Especially with properties that have been on the market for a while, “buyers are coming in and doing tremendous lowballing -- and I don’t mean 10 percent,” Lewis said. “Even when the asking price can clearly be recognized and comped out as a real value, buyers are still insisting they get more for their money.”

That’s what prompted Kimberly Jay of Douglas Elliman Real Estate to tout a Greenwich Village townhome, now listed for \$4.99 million, as a bargain.

“Over \$1 Million Dollar Price Drop! Originally \$6.1 Million. Rare opportunity!” the broker wrote after a July reduction for the four-floor property on West 11th Street.



*Four-floor property on West 11th Street Source: Brian Wittmuss at VHT Photo Company*

“There were three price drops to get to this price point, and I wanted the reader to note the value that they could get,” Jay said. Today’s softening market is often discussed as a downside for sellers, “but it’s an amazing opportunity for a buyer to be able to buy something they couldn’t have two years ago.”

### **Magnolia Cupcakes**

Sometimes even discounts need extra sweetening. Magnolia Bakery cupcakes were part of the deal for the first 12 visitors to an open house for a West Village townhome that in May got a cut to just below \$10 million.

“Come early to get the flavor of your choice,” Compass broker Eileen Robert said in her listing.

“It increased the traffic, which is the first step,” Robert said in interview. “It was people who were qualified and whose kids had a sweet tooth.” The four-story property on West Fourth Street, built in 1839, remains for sale after 287 days on the market.

Expect the come-ons to keep on coming. A surge of inventory is predicted for September, when listings that were pulled from the market make their eventual return, said Grant Long, senior economist at StreetEasy.

“A lot of the market right now is still on this ambitious cycle of ‘I have a price I want to get to,’ so the sellers are less likely to reveal their full willingness to negotiate in their listings

right now,” Long said. “Signaling through different types of listing descriptions is going to become more popular as the market weakens.”

Ultimately, the words mean nothing if the price isn’t attractive enough to back them up, Snider of Core said.

“You’ll see a listing that says ‘Best Value in Tribeca,’ and it’s been on the market for 158 days,” Snider said. “You’d think you might want to update your text, dude.”