



RUBENSTEIN PUBLIC RELATIONS, INC.

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## BIG DEAL

JOSH BARBANEL

# A Season of Adjustment

**S**COTT BESSENT'S 11-room duplex apartment at One Sutton Place South, one of the grand prewar co-ops overlooking the East River, could be considered a bellwether for the fall season and the possible recovery of the Manhattan real estate market.

The price was cut, after a winter of bad news, but a sale was finally made after increased summer activity gave buyers more confidence in the economy and the enduring value of real estate. Now brokers are debating whether that sales bump was a one-time event driven by pent-up demand, or is likely to continue.

The 1927 building, at East 56th Street, was designed by Rosario Candela, the renowned architect of luxury apartments. It is entered through a driveway with three arches, then through a lobby facing a private garden.

The apartment has a large gallery with a grand staircase, leading to a 31-foot living room with a Juliet balcony. It had been the home of Patricia Kennedy Lawford, a sister of President John F. Kennedy, who died in 2006.

Mr. Bessent put the apartment on the market in October 2008, when world leaders and bankers were struggling to find ways to save the financial system. The asking price with the listing broker, Ann Jeffery of Brown Harris Stevens, was \$12.5 million.

That price was only \$500,000 more than Mr. Bessent, a hedge fund manager and former managing director of George Soros's investment fund, had paid for the apartment 16 months earlier. When it didn't sell during that gloomy winter, as General Motors and Chrysler were teetering toward bankruptcy, the asking price was cut twice, to just under \$10 million.

City property records filed last week show that it changed hands for \$9.5 million, a cut of 24 percent from the original asking price, and \$2.5 million less than what Mr. Bessent paid in 2007.

The buyer was Joshua Gregg Berkowitz, also a protégé of Mr. Soros. He left Soros Fund Management, where he had been a portfolio manager, to



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One Sutton Place South

create a new investment fund, Woodbine Capital last year.

Records of recently closed transactions like Mr. Bessent's show that average and median sale prices were nearly flat in October, compared with the previous month. The sales activity was better than September, though a bit below August.

Streeteasy.com found that the number of signed contracts reported in October was also flat.

Some brokers say that showings have tapered off in the last week or two amid renewed uncertainty about the economy. Dolly Lenz, a broker at Prudential Douglas Elliman, said that the fundamentals remained solid, but that with declining inventory, low prices and low interest rates, other brokers had told her that they were not as busy.

This was disputed by Pamela Liebman, the president and chief executive of the Corcoran Group, and Hall F. Willkie, the president of Brown Harris Stevens. Ms. Liebman said that one Corcoran broker reported having six contracts signed in the last week.

In a new market report, Elizabeth Stribling, the president of Stribling & Associates, concluded that the market has "reached a plateau in response to significantly lower prices."

