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Hoping the Sizzle
Will Sell the Steak
In a Condo Slowdown

**Developers Throw Parties
Unrivaled in Their Glitz
To Wow Real-Estate Folks**

By CHRISTINE HAUGHNEY
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At a party in Fort Lauderdale last month, guests in clingy cocktail dresses grooved on stage with singer Wyclef Jean and even tried to pull off his black-and-baby-pink striped tie.

A week later, in Las Vegas, party-goers attended a reception hosted by actress Pamela Anderson, who was surrounded by a small army of models dressed in black bikinis, white hard hats, tool belts and yellow "Do Not Cross" construction tape.

Last Tuesday night, a half dozen invited guests attended an exclusive Manhattan screening of "The Devil Wears Prada" with the movie's star, actress Meryl Streep, among others, before attending a dinner and charity auction of clothing worn in the movie.

The latest dispatches from the Hollywood glamour circuit? No, it's real-estate developers wooing real-estate brokers and potential buyers of high-end condominiums.



Pamela Anderson

The growing glut of expensive condos is pushing high-performing real-estate brokers and deep-pocketed potential buyers onto the "A" list. By supplying them with coveted party invitations and celebrity access, developers hope to reduce the backlog of high-priced luxury condominiums before rival developers can flood the slowing sales market with even more new properties. Developers are going all-out -- with celebrities, showgirls, circus performers and fireworks displays worthy of the Fourth of July. Sales incentives ranging from alligator-leather-covered notepads in Manhattan to \$10,000 diamond-encrusted cuff links in Fort Lauderdale are dangled before guests.

"Sometimes it does feel larger than life," says Debra Kavalier, a sales director at New York's Corcoran Sunshine Marketing Group and a guest at many of these parties. "Sometimes the world just stops in front of you at these parties and you think, 'This is something I plan on telling my kids about.' "

In Fort Lauderdale, Las Vegas and Manhattan, an estimated 167,600 luxury units are due to hit the market in coming months. In Las Vegas, where 62,600 new condo units are planned, there's greater pressure because projects often are larger and developers can't get construction financing to build without selling a certain number of units in advance. Three condo projects already have been canceled and a half dozen are being re-evaluated in light of slowing sales.

Getting brokers to attend parties is also challenging in a city of star-studded casino stage shows. Last year the Icon Las Vegas condo development -- a joint venture of East Coast real-estate tycoons Stephen M. Ross and Jorge Perez -- hosted a party on the planned condominium site that featured white tigers, fire-eaters and chocolate fountains. It wasn't enough. That project died, too.

"No matter how elaborate the party -- if behind the scenes they haven't nailed down their construction costs -- the odds of it going forward are very low," says attendee Bruce Hiatt, a broker and owner of Luxury Realty Group Inc., in Las Vegas.

Getting Jaded

Brokers who have been through the vicissitudes of the real-estate cycle say they've never been catered to quite like this before. But they are already getting a bit jaded.

"Unless [the parties] are really unique, people won't go to them. You have to have something remarkable," says Seth Semilof, a Miami lifestyle magazine publisher, former broker and regular at spectacular condo parties. He finds that the success of the parties depends heavily on the nuances of each market. "New York people wear suits and ties. In Miami, it's beautiful girls in bikinis," he says.

Mr. Semilof says that while most of the parties he attends feature models, lobster and champagne, his most memorable experience at any party involved meeting Donald Trump. The developer posed with him for a photograph, high-fived him and joked that he was "hired."

"He gave me his business card and said, 'Look, you have an open line of communication.' "

In all three markets, party budgets are going wild. Some event planners working for South Florida developers say their clients have tripled their spending as condo sales have begun to slow in recent months.

Developers say the parties are a bargain considering the prices of the condos, and they generate far better returns than dropping the prices of units does. For a May 11 Manhattan bash near Union Square, developer Gary Barnett spent about \$30,000 to promote 39 lofts that start at \$2.2 million apiece. In March, he spent \$500,000 on a concert attended by 800 brokers and featuring the singer Seal. Several weeks later, he sponsored the "Thank You for Smoking" movie premiere and dinner for 500. Two brokers received a year's use of a chauffeur-driven \$108,000 Maserati Quattroporte. Others got shopping trips to Paris for selling the most condominiums in the 550-unit Orion project just west of Times Square.

Senada Adzem says that spending \$250,000 on the four-hour party in Fort Lauderdale featuring Mr. Jean has helped her sell five out of 30 condo-hotel units for about \$1,200 a square foot in Fort Lauderdale's new Trump International Hotel.

Mojitos and Ceviche

Her party started with champagne Mojito cocktails and ceviche and sushi served on white China embossed with the Trump logo. Male brokers who sell more than three apartments were promised 1.5-carat diamond cuff links. The incentives for female brokers were diamond encrusted dove-shaped pins.

"I wanted to raise some eyebrows," says Ms. Adzem, marketing director for New York firm Bayrock Group, which is co-developing the project with Donald Trump.

As a guest at the Las Vegas party including Ms. Anderson, Mr. Hiatt was escorted by models in black evening gowns to a three-story penthouse. In the penthouse, he spotted "American Idol" host Ryan Seacrest and actor Mickey Rourke with one of his Chihuahuas. Mr. Hiatt explained that star sighting often was more important in Las Vegas than receiving a gift bag of the sort often given out in South Florida or New York. "Vegas is less about the bling and the Maseratis and more about the fun," he says.

In the three weeks following, the Tower negotiated 15 sales contracts for apartments priced at roughly \$750,000 apiece. Mr. Hiatt, whose firm previously had sold a half-dozen apartments in Panorama's larger four-tower complex, adds the party also better educated him about the complex's latest units. "We did have a business reason to go," he says. "I was really anxious to see that penthouse."

Dual Roles

But the parties' purposes aren't always immediately clear. The Las Vegas bash doubled as a sales celebration for the Panorama Tower and a fundraiser of \$500,000 for People for the Ethical Treatment of Animals, one of Ms. Anderson's causes. Paul Scaringe, vice president of sales for Panorama Towers, says that Ms. Anderson attended the event because she had purchased an apartment in the complex and because the event benefited her cause. A spokeswoman for Ms. Anderson said that she is out of the country



Getty Images

Hugh Jackman and Brett Ratner

and not available to comment. Developers say that the celebrities weren't paid to attend the event.

The May 23 "Devil Wears Prada" screening cost **Starwood Hotels & Resorts Worldwide Inc.** about \$20,000 to promote 16 condominium hotel units it is selling at Manhattan's St. Regis Hotel. Fernanda Forman, Starwood's director of marketing for the St. Regis and Luxury Collection, stresses that these fêtes for brokers energize sales. "Can they make or break a project? No. Can they sell out a project faster? Yes," she says.

In some cases, celebrities who attend these events don't seem to know that their presence is helping to sell condos. In Manhattan on May 11, brokers sampled sushi with "X-Men" star Hugh Jackman along with 300 other Hollywood executives and starlets at the Union Square exhibit of photographs taken by "X-Men" director Brett Ratner. Mr. Jackman said that he had come to support his friend and director of the series latest installment "The Last Stand" that was released Friday. Mr. Jackman, who says he himself is looking for an apartment to buy, grinned when told that the evening also was intended to entertain real-estate brokers. "Look at me -- how naive I am," the actor told a reporter. "Maybe the developer will give me a 10% discount."