

EXCLUSIVITY BREEDS CREATIVITY

By Karen M. Harris



Froh Heim, a 1923 Spanish Renaissance estate overlooking Far Hills, NJ

Extraordinary times call for creative measures.

Especially when you own a one-of-a-kind historic home and want to sell. The expected course of action would be to get a Realtor, decide on a price, advertise, hold an open house and pick up some interested buyers along the way. There would be some haggling and agreement. Voila! Your house is sold. You're happy. Your buyer is happy. End of story.

In today's economy, not all stories have quick and happy endings. Luxury-home sellers still want a good price, which may be substantially lower than the home's value a year or two ago. Buyers are still looking for a bargain, which may not jibe with the listing price.

That's where the creativity comes in. Realtors and sellers are thinking outside the box, literally, to bring traffic through the doors. You want to create buzz? Throw a private party complete with swimsuit models and Mercedes parked in the driveway.

That's how Realtor Shawn Elliott closed the deal on a \$4.5 million 12,000-square-foot white cedar-and-stone contemporary, set high on a hill in a private community in Oyster Bay Cove, Long Island. Elliott sent engraved invitations to more than 300 guests inviting them to a lavish open house, complete with champagne and spicy tuna tartare, at sunset. *The New York Times* even covered it.

The party "becomes more like an event, and makes it much more exciting, rather than walking into something that's empty," says Elliot. Potential homebuyers don't need to try to envision how to use the space. They can literally see how to use it, while relaxing and networking in an atmosphere devoid of high-pressure sales tactics. It worked. The house went into contract the following week.

Another way to create buzz is via auction moderated by a global powerhouse with ne plus ultra clientele.

That's what the owners of Froh Heim, a 1923 Spanish Renaissance estate overlooking Far Hills, N.J., did. Heritage Premier Properties bought the 11-acre property as an investment. The goal was to restore the stone-and-stucco mansion, sell it and move on to another investment,
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Concierge President Laura Brady listens to a potential bidder during the auction.



Clockwise from left: Auctioneer Frank Trunzo instructs the assembled bidders. The Prominent Properties Sotheby's International Realty team of Julia Kieran, William E. Castoral, Lorraine Hunt-Kopacz and Diane Johns. Attendees could sip champagne while deciding whether to bid.

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according to Jody Jorgensen, one of the owners. After a million-dollar restoration, complete with overhauled electric and septic plus such updates as central air and a Leonardis kitchen, the owners contracted with Concierge Auctions, a Sotheby's preferred vendor.

Auction is a time-honored sale method. It was the original means for buying and selling property. There were no Realtors or brokers. Today, auctions set world records, whether it is for homes, jewelry or art. Auctions create buzz and auctions create exclusivity.

The owners chose Concierge Auctions because they have a global client list, according to the listing agent, Broker Associate Lorraine Hunt-Kopacz of Prominent Properties Sotheby's International Realty. They chose auction because they felt they could create excitement about the event. "People want to win, to get a value," she said. Concierge has a global client base from previous auctions, which, the owners thought, may contain the person who would be Froh Heim's new owner.

Concierge President Laura Brady calls Froh Heim "the most unique and restored property that Concierge has been associated with." Froh Heim, German for "happily home" was the estate of one of Far Hills' founding families, Grant and Elizabeth Schley. Among the amenities are 16 rooms, seven bedrooms, eight and a half baths and eight fireplaces. Also on the property are an eight-stall horse barn with two apartments, and a smokehouse and wine cellar, perfect for a property in the heart of New Jersey Hunt Country.

"It is a signature property," agrees Frank Trunzo, Concierge's head auctioneer. "It cannot be replicated."

The house was listed at \$5.495 million; the auction scheduled for September 26. There was no minimum bid, but approved bidders needed to meet bank approval and provide

a \$100,000 check. Everyone involved gave a ballpark figure for the sale at \$5 million, but that was not to be. Bidding stalled, and then closed, at half that amount. Unfortunately, the winning bidder did not meet final bank approval, and so Froh Heim remains for sale.

"Auctions are a snapshot in time and we have an economic time that is stormy," Trunzo says about the outcome. The estate is a "tremendous opportunity historically at the best time," he says. "You're in the eye of a perfect storm. Now is the time to buy."



Hunt-Kopacz is still getting calls about Froh Heim. The auction, it turns out, could be a very good sales tactic. Turnout was impressive, even if the two bidders everyone thought would win did not attend. The Daily News covered it. The Realtor community is talking about it.

She says the key to a sale will be by "making the mental mark in value; a substantial reduction in price to glean the type of people who perceive value and have the money to operate this pedigree property." She may also use Sotheby's

global offices and public relations clout to make the new price known.

Today, it's about right pricing, value pricing, which is the only catalyst that a buyer can use, she says. "When a buyer is concerned about wealth preservation, they need to operate with both their head and their heart. The Realtor's goal is to make the buyer feel special about this property. There are plenty of mansions out there for \$4 million, but you need to be a very special person to own this estate." ■

Market Makers offers insight into the innovative ideas of the region's top real estate brokers. More than just open houses or balloons tied to a For Sale sign, Market Makers have mastered the creativity and outside-the-box thinking needed to close the deal.