

MANSION

Capital Living

Short Leases, Top Amenities Drive Luxury Apartment Sales

by Joseph Dobrian

Metropolitan Washington, D.C., has long been known for the high turnover of its population. This makes for perennial demand for luxury rental properties, as well as frequent sales of townhouses and condos in higher-end neighborhoods.

Today, though, at least one owner is offering a hybrid product on a for-sale property: a short-term lease with the option to buy. Mei-Mei Venners, director of sales at the Westlight high-rise luxury condo building, explains that the developers are giving prospective buyers the chance to sign a 12-month lease on a property they're considering for purchase — which they can convert to a sale within 90 days, with whatever has been paid in rent applied to the purchase price. Westlight does not offer regular rentals.

Westlight's developers say the arrangement might prove especially useful to buyers going through a life-changing situation such as a divorce or the sale of a company, giving breathing room to the buyer while postponing a full commitment.

"The luxury market in the capital area is very different from New York City," Venners explains. "We have never had a glut of luxury product, so we don't experience dramatic price rises or compressions. We're more a steady-as-she-goes market."

PRICE HESITANCY

Venners says she currently perceives some indecision from high-net-worth buyers, who are watching what's happening in other major markets to gauge where Washington might go in terms of pricing and availability. Thus, she says, the lease/purchase product is another alternative at the high-end.

"Condos at Westlight are priced mainly between \$1.4-\$4.5 million," she says. "Our developer, Anthony Lanier/Eastbanc, believes in no discounts, no special sales, nothing that impacts the value of build-

ing. But you can lock in your price with this new lease/purchase product."

This arrangement, Venners says, gives incoming buyers a grace period to either pull the trigger and purchase with a portion of the rent credited at settlement or forfeit their deposit and vacate. She notes that Westlight offers a highly desirable location in a market where the best properties are always in demand.

"In all major cities, the cost of land acquisition is high," she says, "and land in upscale neighborhoods is rarely available, so developers try to establish new neighborhoods in up-and-coming areas, but that takes time. They do get created; however, established buyers tend to gravitate to established parts of the market."

When the property opened for sale in November 2016, Venners recalls that brokers hired people to sleep outside the sales office so clients could sign contracts on the first day. So far, the building is 80% sold — all at full price. She admits that the non-negotiable prices sometimes cause dismay, but buyers understand that the policy helps resale values.

"Westlight is very attractive to buyers who travel or have multiple homes," she adds. "Our residents want a lock-and-leave lifestyle; they expect 24-hour, five-star service — our staff will provide that."

The building's amenities include a porter who will run errands, an on-site engineer to deal with plumbing or HVAC issues, a state-of-the-art fitness center and a 25-meter heated rooftop pool.

NEW WINE IN OLD BOTTLES

Christie-Anne Weiss, senior vice president of Ritzert Weiss Partners TTR



EAST BANC MARKETING

Spacious rooms with floor-to-ceiling windows characterize Westlight — as do the dramatic urban views.

Sotheby's International Realty, handles a mix of luxury single-family homes and condos in Washington, Virginia and Maryland. She says the market, over the long term, is one of the most dependable in the nation. "We have a record of weathering any kerfuffle," she says.

Weiss continues: "We have some new listings we're especially proud of. One is a luxury townhouse, priced at \$4.675 million, that over the years has attracted several illustrious individuals."

That property, she says, represents "the pinnacle of what you think of when you hear the words 'Georgetown Federal construction,'" a much sought-after architectural style in the region.

"Georgetown is a great district — and you can't change it," she says. "It has a strong architectural preservation board; exterior changes must conform to its specifications."

Another TTR Sotheby's offering is Wardman Tower: erected in 1928 by one of Washington's most eminent builders, Harry Wardman, and lived in by several U.S. presidents. It has been gut-renovated and turned into 32 condo residences of which 10 remain available — only two are listed at under \$3 million.

"Wardman Tower is so different from most new construction today," she says. "The units look like New York pre-war flats with real rooms, not the modern open-plan concept. The kitchens are separated and can be closed by pocket doors. The apartments have deep window sills that you can only get in a pre-war building."

The size of the units is their distinguishing feature, Weiss concludes: the smallest unit at Wardman is 2,660 square feet, with two bedrooms and a den. All homes come with at least two valeted parking spaces.