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THE WALL STREET JOURNAL

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HOMES | December 27, 2012, 8:27 p.m. ET

The Game Changers

Ten real-estate moves that had a major impact this year, from John Paulson's ranch to Mark Zuckerberg's mortgage

London Homes Get Super-Sized Game Change

Nick and Christian Candy, the 30-something property developer brothers behind One Hyde Park, London's priciest apartment complex, snapped up a 10,000-square-foot home in Chelsea in September for about \$121 million. The house was sold with building permits in place for it to be extended to 30,000 square feet; work is expected to start next year and once complete it could be listed in excess of \$242 million.



Getty Images

Property developers Christian and Nick Candy

Next Wave

British developers appear to be vying to produce London's largest house. In October, estate agents Savills launched Cornwall Terrace, a 21,346-square-foot mansion close to Regent's Park onto the market at about \$160 million. Another pair of property siblings, the Reuben brothers, have unveiled plans to redevelop the In and Out Club on Piccadilly, a former gentleman's club. It is slated to be remade as a 53,426-square-foot home with a provisional price tag of \$322 million.

Real-Estate Moves



Luis Travieso

In August, a 30,000-square-foot, 10-bedroom spec home in Indian Creek Village, Fla., sold for \$47 million.

Outlook

These homes will be a litmus test of the passion the global super rich have for supersize homes in prime central London. The price of properties costing more

than £10 million (about \$16 million) has escalated 50% since 2007, far outstripping the mainstream market. Another boost: After months of speculation, the British government ruled out plans for a so-called "mansion tax", though there will be an annual levy on properties worth £2 million or more purchased by offshore companies. But while the prime market is strong, appetite at the very top end may be slowing: According to Savills, there were 22 sales of homes priced £20 million and above in the first 11 months of this year, compared with 35 such sales during the same period last year. The 27,000 square-foot Heath Hall, on the market for more than \$160 million, has lingered on the shelf since early 2011.

—Ruth Bloomfield

Mark Zuckerberg's Mortgage

Game Change

[Facebook](#) co-founder Mark Zuckerberg reportedly refinanced the \$6 million mortgage on his Palo Alto home last spring, getting a 30-year adjustable-rate mortgage starting at 1.05%. San Francisco real-estate agent Rick Teed isn't surprised by the low rate; the average rate on a one-year adjustable-rate mortgage was 2.53% for the week ending Dec. 13, according to mortgage-finance company [Freddie Mac](#).



Bloomberg News

Mark Zuckerberg's refi made headlines this year.

Next Wave

"Everybody wants the A-paper clients," says Mr. Teed of Teed Haze at Sotheby's International Realty, referring to the credit quality of the clients. "If you've got \$50 million or more, the banks want the banking relationship, the loan is secondary." Most high-net-worth individuals do get mortgages up to the amount of interest that they can deduct, according to Jim Wilson, senior vice president of wealth management at [Mechanics Bank](#) in Walnut Creek, Calif. Mr. Wilson sees his clients trending toward the 30-year fixed-rate mortgage to lock in the historically low rates and says requests for refinancing "are up across the

board" in the past six months. The 30-year fixed-rate mortgage averaged 3.32% for the week ending Dec. 13, according to Freddie Mac. (See Jumbo Jungle, M6, for more on the rise of jumbo mortgages this year.)

Outlook

"We are still at very low levels (in terms of interest rates), and I don't see a lot of room to move downward," says Mr. Wilson, noting that people regularly ask him at what point rates will go up and he says "eventually, but not in the near future." Lenders gave out \$148 billion in jumbo mortgages in the first nine months of 2012, up 23.3% from the same period in 2011, according to Inside Mortgage Finance, a trade publication.

—Sarah Tilton

One-Bedroom Sells For \$20 Million in Los Angeles

Game Change

In November, the 10,000-square-foot home of late Hollywood producer Richard Zanuck sold for \$20.1 million—one of the biggest sales ever in Beverly Park, a gated community in Beverly Hills. The property has a tennis court, a movie theater, a gym, two guest houses and one very unusual feature—only one bedroom in the main house.

Next Wave



Unlimited Style Real Estate Photography

This home sold for \$20.1 million—one of the biggest sales ever in Beverly Park, a gated community in Beverly Hills.

Though a 10,000-square-foot home with one bedroom is an anomaly, brokers say the Los Angeles market has been robust for luxury one- and two-bedroom homes. There are now six one-bedroom homes listed for more than \$1 million in the Los Angeles metro area on Zillow, an online real-estate tracker, including a 1,237-square-foot one-bedroom penthouse in a high-rise on the edge of Beverly Hills that is on the market for \$2.175 million. There are five two-bedroom homes currently listed on Zillow for more than \$5 million in the area.

Outlook

Jeffrey Hyland, who is president of brokerage Hilton & Hyland in Beverly Hills, says his firm has seen business increase by 60% this year, from \$1 billion in 2011 to \$1.7 billion in 2012. "There's a real scarcity of inventory in L.A. right now, with a tremendous number of buyers," he says.

He adds that smaller homes have sold well in part because many of his firm's clients would rather buy a turnkey house than build from scratch. "Who's got three years to spend on building? There are a lot of people who would rather give that time to their own business than to a house."

Still, there are exceptions: Josh Altman of Hilton & Hyland, the broker who represented the buyer in the Zanuck estate deal, says the new owner will tear down the property, building a new home with eight bedrooms.

—Lauren Schuker Blum

Larry Ellison Buys Lanai Game Change

In June, [Oracle](#) co-founder Larry Ellison purchased 98% of the Hawaiian island of Lanai, valued at more than \$500 million, for an undisclosed price. The sale included the two Four Seasons resorts on the island, two golf courses and more than 88,000 acres of land.

Next Wave

Locals will be closely watching Mr. Ellison's plans—particularly because his moves will significantly impact the approximately 3,200 residents who live on the land he now owns. Some residents told local media outlets that they were relieved when Mr. Ellison bought the property; its former owner, businessman David Murdock, had seen major losses on Lanai's operations and proposed creating a giant wind farm, an idea that deeply divided the island's residents. Documents related to the sale filed with Hawaii's Public Utilities Commission noted that Mr. Ellison can make "significant investments" in the island that will "directly benefit the people of Lanai." Mr. Ellison has yet to speak with Lanai officials or residents directly, leading some locals to worry about what Mr. Ellison plans to do.

Outlook

There's talk of Mr. Ellison making some "big natural energy plays," says Matt Beall, a real-estate broker in Hawaii. Mr. Ellison did not respond to requests for comment. He told CNBC in October that he wants to turn the island into a "little laboratory" for sustainable living.

—Alyssa Abkowitz

\$59-Million Sale Fuels Bubble Fears in Hong Kong

Game Change

Hong Kong's property market vaulted to new heights in 2012, spurred in part by cash pumped into the city from buyers from mainland China, which has recently instituted measures to cool the housing market there. When a 6,683-square-foot apartment on the ninth floor of a Frank Gehry-designed Opus building sold for \$58.7 million in October—a record for the city—it fanned fears of a property bubble and left observers wondering whether the market would be able to sustain its heady growth. The government took action to curb the frenzy 10 days later when it slapped a 15% tax on any nonlocal buyers; previously there was no tax on non-locals.

Next Wave

Despite the new government tax, agents say demand for superluxury apartments is still strong, and developers haven't yielded on asking prices. Property prices have jumped more than 20% over the course of this year, to more than double what they were in late 2008. One 5,500-square-foot, three-bedroom house in the city's tony Mid-Levels neighborhood is asking \$77.4 million. Another with a private elevator and garden located on the coast of Deep Water Bay on the island's south side is listed for \$80 million.

Outlook

In a space-starved city with limited top-tier luxury options, prices are expected to hold steady for superluxury residences (those over 6,000 square feet), though brokers expect a slight dip in the broader luxury market: Real-estate firm Colliers projects prices to drop about 10%. Meanwhile, the cost of top-tier luxury rentals—which have already gone up some 15% this year compared with 2011—are expected to rise still further next year for superluxury properties, though rentals in the broader luxury property market may dip slightly, according to Colliers.

—Te-Ping Chen

Launching the Trophy Condo Craze

Game Change

In January, former Citigroup chairman Sandy Weill sold his 6,744-square-foot penthouse at Manhattan's 15 Central Park West for \$88 million, setting a new milestone for the most expensive apartment ever sold in New York City—66% above the previous record sale, set in 2006. The buyer was a trust linked to Ekaterina Rybolovlev, the 23-year-old daughter of Russian fertilizer billionaire Dmitry Rybolovlev. The cost breaks down to more than \$13,000 per square foot, about 10 times the Manhattan condominium average of \$1,300 per square foot.

Next Wave

In the wake of Mr. Weill's sale, prices for top-tier Manhattan condos have continued to climb, fueled in part by overseas buyers looking for places to park their cash and Americans looking for trophy properties. In June, casino mogul Steve Wynn paid \$70 million for a 10,882-square-foot, 14-room condo at 50 Central Park South, above the Ritz-Carlton hotel—the second-most expensive price paid for a Manhattan apartment.

Outlook

Currently in contract for more than \$90 million each are two duplex condos in One57, a high-rise still under construction across the street from Carnegie Hall. One of the apartments, spanning the 89th and 90th floors, measures nearly 10,923 square feet. The other, known as the Winter Garden, spans the 75th and 76th floors with 13,554 square feet. These sales are expected to close when the building is completed in 2013; it is expected to be the tallest residential building in the city, at 90 stories. Brokers say momentum at the high-end seems to be continuing, especially among wealthy

foreign buyers, but some say that pricing at the very top end has gotten overeager, particularly as more new ultraluxury buildings come on the scene, adding to the competition. Through average asking prices per square foot at 15 Central Park West has continued to rise, sales volume has slowed in recent months.

—Candace Jackson

Chicago on the Rise

Game Change

Chicago traditionally hasn't been a major luxury market, with few condos priced above \$7 million. But the city hit a record sales price for a condo in November when a Park Tower penthouse owned by hedge-fund manager Richard Cooper sold for \$15 million to another hedge-fund executive, Citadel founder Kenneth Griffin, according to public records. Mr. Cooper had bought the 7,900-square-foot home on the 66th floor as raw space in 2000 for \$3.3 million. Mr. Griffin, who owns the floor beneath the penthouse, plans to combine the units into a two-floor penthouse, according to a source familiar with the sale.

Next wave

The condo sale has spurred luxury real-estate agents to rethink pricing in a market with very little high-end inventory. Chezi Rafaeli, who brokered the record sale, has a \$32 million listing for a five-bedroom, nine-bathroom penthouse in Chicago's Trump Tower, currently the most expensive condo listed in the city. Mr. Rafaeli says offers have been made, but none that the seller has seriously considered. The 12,000-square-foot triplex of actor Vince Vaughn in the Palmolive building, which previously reigned as the condo-sales record holder when Mr. Vaughn bought the property for \$12 million in 2006, is back on the market for \$16.8 million.

Outlook

With a shortage of inventory and the demand for high-end property increasing—particularly from foreign buyers who want to rent out condos at top dollar—brokers expect prices to rise 20% in the coming year. "The market is going to become extremely tight," Mr. Rafaeli says. "It's going to be very much like the mid-2000s."

—Alyssa Abkowitz

South Florida Takes Off

Game Change

In August, a 30,000-square-foot, 10-bedroom spec home in Indian Creek Village, Fla., a wealthy private-island community across a bridge from Miami Beach, sold for \$47 million, the highest price ever paid for a single-family home in Miami-Dade County. The buyer was a Russian who bought the home in the name of a U.S.-based limited-liability company, according to people familiar with the deal.

Next Wave

In 2012 the high-end of South Florida's real estate market soared, with a number of record-breaking sales after years in the doldrums following the housing bust and recession. Spurred largely by wealthy foreign buyers from Eastern Europe and South America, prices for prime real estate at the top end of the market surpassed previous boom-era highs. The previous single-family record was set in March, when another Indian Creek property, a 17,000-square-foot Italian-style home on 2.7 acres, sold for \$40 million to hedge-fund manager Edward S. Lampert, who is chairman of Sears Holdings. In the wake of the eye-popping Indian Creek sales, other homeowners began raising their prices as well. Leroy Schecter, chairman of Marino/Ware Industries, put his 21,746-

square-foot Indian Creek home (located next door to Mr. Lampert's) back on the market for \$45 million—up from \$35 million when he first listed it in 2007.

Outlook

Some brokers have increased asking prices in the area to keep up with blockbuster sales nearby. Others say they are nervous that the pace of ultra high-end sales might be unsustainable in the long term.

—Candace Jackson

John Paulson Bets Big on Aspen Game Change

In June, hedge-fund manager [John Paulson](#) bought a 90-acre Aspen, Colo., ranch and an adjoining property from Prince Bandar bin Sultan for a total of \$49 million—one of the priciest home sales in the area, ever.



Splash News/Newscom

Hedge-fund manager John Paulson bought this 90-acre Aspen ranch and an adjoining property for a total of \$49 million.

Next Wave

After several down years during the recession, the Aspen home market rebounded last year. Prices went up for the first time this year, by about 5%, but are still about 20% down from their peak in 2008, says broker Andrew Ernemann, who publishes reports on the market and is the president of the Aspen Board of Realtors. Last year, 15 homes sold for more than \$10 million; so far this year, 11 homes have sold in that range, but there are several sales on pricey homes set to close before the end of the year, bringing this year's tally in line with last year's.

Since Mr. Paulson's purchase, Aspen has had only one sale over \$20 million, but local brokers say the deal has persuaded wealthy buyers across the country to take a closer look at the ski town. "When someone like John Paulson spends that kind of money on a home here, it definitely encourages other people to buy," says Aspen broker Maureen Stapleton of Sotheby's International Realty. Ms. Stapleton says she currently has an 11,454-square-foot, six-bedroom home in downtown Aspen in contract that she expects to close for around its asking price of \$23.5 million.

Outlook

Going forward, Mr. Ernemann expects the market to continue to climb back toward its peak, albeit slowly. "It seems that Aspen's stock has been on the rise over the past few years, with the local economy continuing to improve," he says. "I think we'll see seller confidence start to return to the market, although I think all of this will be at a very measured pace. The market will continue the upward trajectory set in 2012, but it's a slow, stable trajectory."

—Lauren Schuker Blum

San Francisco Booms Game Change

Earlier this month, a seven-bedroom, 7½-bath Italianate mansion on Broadway in San Francisco—often called Billionaire's Row—sold for \$28.3 million. The sale was the third-most-expensive single-family listing in the city's history.

Next wave

Wealthy tech executives—some choosing the city over traditional Silicon Valley enclaves like Palo Alto and Atherton—helped spur a wave of luxury buying in San Francisco this year, with the IPOs of Facebook and Zynga fueling the spending spree. (Zynga's founder Mark Pincus, for example, bought a \$16 million home in Pacific Heights in August.) In 2012, there were 47 transactions over \$5 million, compared with 27 in 2011, says Patrick Barber, president of Pacific Union, the exclusive affiliate of Christie's International Real Estate in San Francisco. The stretch of Broadway Street along Pacific and Presidio Heights may have seen an even higher-priced transaction this fall: A neoclassical villa went on the market for \$38.5 million, the priciest listing in the city. The property currently is in escrow. Sources familiar with the trade say it was a private transaction with an undisclosed sales price.

Outlook

Currently on the market are three parcels in Presidio Heights for \$25 million; there's also an eight-bedroom, six-bathroom home listed for \$19.5 million near the Presidio. Brokers say rising prices are leading to more private transactions, where the property isn't publicly listed for sale, because keeping it off the multiple-listing service could help the seller get a higher offer. Of course, San Francisco property has been susceptible to bubbles in the past, and some real-estate agents already are issuing warning calls of a real-estate bubble 2.0.

—Alyssa Abkowitz

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\$3MILLION

WHAT YOU GET

Lakewood, Wash.



WHAT: A French provincial with six bedrooms and eight baths

HOW MUCH: \$2,900,000

SIZE: 8,498 square feet

PRICE PER SQUARE FOOT: \$341.26

SETTING: This formal 1924 house is on Gravelly Lake in Lakewood, about 10 miles from Tacoma and 40 from Seattle. Nearby is a cluster of big-box stores, restaurants, a movie theater and a playhouse.

INDOORS: Beyond a large foyer with an arched ceiling, the living room has a wood-burning fireplace and arched windows. In addition to the dining room, there is a dinette, beyond which is a family room with a skylight and another fireplace. The bedrooms are on the second floor. The master, with etched-glass French doors opening to a terrace, is part of a suite with two bathrooms and a sitting area. The house has front and back stairs.

OUTDOOR SPACE: In addition to its lake frontage, the house has a pool, a pool house and a formal garden.

TAXES: \$24,227 a year

CONTACT: Grace Hudtloff, John L. Scott Real Estate (253) 581-1100; johnlscott.com

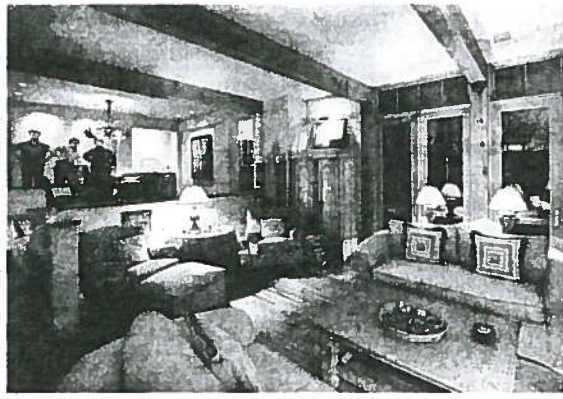


PHOTOGRAPHS BY KEVIN P. CASEY FOR THE NEW YORK TIMES

Aspen, Colo.



PHOTOGRAPHS BY DANIEL BAYER FOR THE NEW YORK TIMES



BY MIKE POWELL

WHAT: A house with three bedrooms and three baths, on three acres

HOW MUCH: \$2,995,000

SIZE: 3,548 square feet

PRICE PER SQUARE FOOT: \$844.14

SETTING: This house is in Starwood, a gated community six miles from downtown Aspen. The community maintains conference rooms, a meeting facility and tennis courts. Hiking trails lead directly into national parkland.

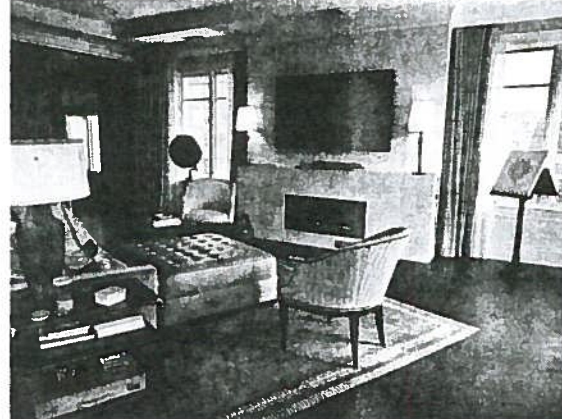
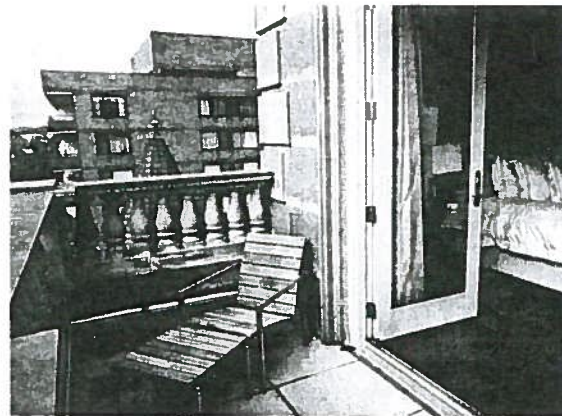
INDOORS: The three-level house evokes Austrian ski architecture. The foyer leads to a dining area; a few steps below is a living room with a wood-burning fireplace and French doors opening to a meadow, which during warmer months is blanketed in wildflowers. Off the living room is a study with heart pine built-ins including bookcases, shelves and an L-shaped desk. The kitchen, which has English greenstone counters, runs along one side of the house, with a dining nook at the end. The layout is houseguest-friendly, with each bedroom on its own level to ensure privacy.

OUTDOOR SPACE: Landscaped with spruce and aspen trees, the property has mountain views, as well as a hot tub and a sauna.

TAXES: \$11,699 plus \$201 per year in association dues

CONTACT: Maureen Stapleton and Craig Morris, Aspen Snowmass Sotheby's International Realty (970) 948-9331; aspensnowmasssir.com

Washington, D.C.



PHOTOGRAPHS BY EVELYN HOCKSTEIN FOR THE NEW YORK TIMES

WHAT: A two-bedroom penthouse with two and a half baths

HOW MUCH: \$2,995,000

SIZE: 2,355 square feet

PRICE PER SQUARE FOOT: \$1,271.76

SETTING: This unit is in West End, a bustling mixed-use area in the heart of Washington. The building shares a stretch of Pennsylvania Avenue with the Spanish Embassy. For shopping, dining and night life, residents head to Georgetown, Dupont Circle or Foggy Bottom.

INDOORS: The condo is one of 16 in a development designed to blend in with smaller-scale town houses, incorporating three older facades. One of two penthouses, it is laid out like a large L, with a hallway running along the interior. A private elevator opens directly into the living room, which has a gas fireplace and dark-stained oak built-ins. Both the living and family rooms open to a terrace that overlooks Pennsylvania Avenue. Kitchen cabinetry is by the Italian designer Poliform. The master bedroom has two exposures, with French doors opening to the terrace.

OUTDOOR SPACE: The building is two blocks from Rock Creek Park, which has hike-and-bike trails.

TAXES: \$14,012 a year plus \$1,875 a month in dues/condo fees

CONTACT: Jonathan Taylor, TTR Sotheby's International Realty (202) 276-3344; ttrsir.com

DEBRIEFING

ALEXANDROS WASHBURN

What Design Brings to New York's Table

By ROBIN FINN

MAKING an exception only for ice, snow or bridge closures, Alexandros E. Washburn, the urbane architect who directs the urban design division of the New York City Department of City Planning, commutes to work across the Brooklyn Bridge weekday mornings on a contraption he refers to as his Humvee.

Regrettably, it is not amphibious.

Like other males of his genre, Mr. Washburn, 50, is resolutely black-clad and bears the requisite smudge of facial stubble. He is a green and sustainable kind of architect (the rebuilt roof on his 1890s Red Hook row house is planted with grasses and herbs, and he waters his blueberries with recycled rainwater). The built city and nature, he says, have historically been at odds, but in his master plan they should "overlap."

He says he is more interested in concocting public spaces than constructing impressive buildings (though he has done his share of that). And it is reassuring that his version of a Humvee is actually a bicycle designed to carry three, since the two youngest of his four children, ages 4 and 2, occasionally come along to the job. They helmets



the first public park in Williamsburg. He was referring to the public plaza adjacent to the Edge.

Ms. Burden said the urban designers are making a difference in the way residents interact with the monolith they habit.

"Alex and his team have integrated design into city-making," she said. "The streets, design detail means everything. The team studies what makes great places: the width of the sidewalk; the spacing of street trees, the diversity of retail — and they integrate these details into our plans, turning projects into places that people want to be."

Mr. Washburn, who worked for H. Man-Cox Architects in Washington, hometown, after receiving a graduate degree from Harvard, has previous government experience. He left Hartman-Cox to become Senator Daniel P. Moynihan's public works adviser and, later, the president of the Pennsylvania Station Redevelopment Corporation, a perk: office space on the 62nd floor of his favorite skyscraper, the Chrysler Building. "It has no bones," he explained.

"When I was working as an architect in D.C.," he said, "the city was falling apart around me, and I came to the c

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OPEN HOUSE | Updated July 26, 2012, 8:18 p.m. ET

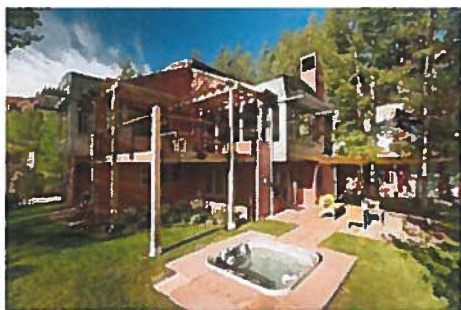
A Contemporary in Aspen

By SARAH TILTON

*905 Chatfield Rd.
Aspen, Colo.*

STATS: A 4,897-square-foot home with four bedrooms and 4½ bathrooms, asking \$6 million, or \$1,215 per square foot. Property taxes in 2011 were \$10,856.

Photos



Mountain Home Photo

A 4,897-square-foot home with four bedrooms and 4½ bathrooms in Aspen, Colo., is asking \$6 million or \$1,195.74 per square foot.

DETAILS:

The owners were originally attracted to this property because of the light, the sun and the views, which include Buttermilk Mountain and the Aspen Highlands. But they weren't so enamored with the original house, so they took it down to the studs and spent more than two years creating what the husband describes as a "mountain contemporary home." While they wanted the home to be "striking," they also wanted it to be livable. They emphasized natural materials, including a striated limestone tile wall that divides the kitchen and living room. They left steel beams exposed to reflect Aspen's history as mining town. A site study done from the roof of the old house ensured that the new design would maximize natural light while capturing views from every

window. Over the garage is a one-bedroom, one-bathroom apartment.

SELLERS: Curtis and Jill Kaufman. Mr. Kaufman is a real-estate developer.

THE NEIGHBORHOOD: It's less than 10 minutes to the Little Nell and the Aspen Mountain gondola. Or just walk out the door for some hiking, biking, golf or fishing (the property is next to the Maroon Creek).

WHAT WE PAID: Mr. Kaufman says they paid \$1.6 million for the property in 1998 and then spent almost \$6 million remodeling the house.

WHY WE'RE SELLING: The Kaufmans are now empty-nesters and say they are looking for a new project and would like to build something else in the area.

WHAT WE'LL MISS: The views, the five-minute drive to powder skiing, the wildlife and the cultural life, including the Aspen Ideas Festival.

WHAT WE WON'T: Mr. Kaufman says that he has had enough of the bird that shows up every spring, gets drunk on the berries and then tries to get through the window in the breakfast nook.

COMP: Nearby, a 5,105-square-foot home with five bedrooms and four bathrooms is asking \$6 million.

OTHERS SAY: Maureen Stapleton of Aspen Snowmass Sotheby's International Realty says the house stands out because of the privacy and the views and is priced well. "It's in a private, unexpected location off the Aspen golf course," she says. She could see a family from Texas buying the house to escape the heat or she could see it being a full-time residence. Susan Lodge and Craig Morris, also of Sotheby's, share the listing.

Write to Sarah Tilton at sarah.tilton@wsj.com

A version of this article appeared July 26, 2012, on page D9A in the U.S. edition of The Wall Street Journal, with the headline: A Contemporary in Aspen.

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Morgan Brennan, Forbes Staff

I write about real estate markets, outrageous homes and cities.

BUSINESS | 6/05/2012 @ 5:14PM | 20,297 views

Billionaire John Paulson Confirms \$49 Million Purchase Of Hala Ranch

In 2006, Prince Bandar bin Sultan, a Saudi royal and former ambassador to the U.S., listed his Aspen, Colo. ranch for \$135 million. The massive estate, called Hala Ranch, became America's most expensive home for sale. Then the real estate recession hit and the ranch, failing to lure a wealthy buyer, quietly slipped off the market.



[Click for full photo gallery: Inside Hala Ranch](#)

Despite never again gracing the Multiple Listing Services, the 90-acre Rocky Mountain ranch has finally found a new owner. [John Paulson](#), the hedge fund billionaire worth \$12.5 billion by Forbes' estimate, has just shelled out \$49 million for the Saudi prince's estate, making it Aspen's priciest home sale this year — and arguably, ever. Paulson, who made his fortune by famously shorting subprime securities in 2007, confirmed the purchase with Forbes, issuing this statement:

Hala Ranch is one of the most beautiful properties in Aspen located on over 90 acres located in the exclusive Starwood community. Initially offered for sale for \$135 million the purchase price represents a substantial discount to the asking price. In addition, the purchase also includes the Bear Cabin located on a separate 38 acre parcel that was never previously offered for sale.

For the [Wall Street](#) titan, who technically made the purchase through a limited liability company, the purchase likely represents a good deal. Other Aspen property transactions with comparable price tags haven't boasted nearly as much land or completed house. For example, the neighboring Star Mountain Ranch, also formerly owned by Bandar, [commanded \\$36.5 million in 2007](#) for a smaller 15,000-square foot house sitting on 67 acres.

Hala Ranch is tucked away inside the private Starwood community, a gated residential neighborhood on the slopes of Red Mountain. The sale was technically comprised of two transactions: a 90-acre main parcel which

fetched \$41 million and a neighboring 38-acre parcel called Bear Ranch which fetched \$8 million.

The combined property boasts a massive 56,000-square foot main house with 15 bedrooms, including a master suite equipped with a beauty and barber room for massages, pedicures and styling, and 16 bathrooms reportedly finished with gold fixtures. Some of the guest rooms open onto a interior courtyard hosting a waterfall-fed reflecting pool.

Scattered among the property's tree-studded acreage are several smaller buildings as well as a tennis court, an indoor swimming pool, and stables. There's also a water-treatment plant and a mechanical shop equipped with its own gas pumps and car wash. As Forbes [has reported in years past](#), the main parcel touts an elaborate, high-tech security system that keeps the entire 90-plus acres protected.

Sale of the mega estate was reportedly brokered by Joshua Saslove, the eponymous founder of [Joshua & Co.](#), a Colo.-based luxury realty firm affiliated with Christie's International Real Estate. Saslove could not be reached for comment at the time of publication.

"This is a unique property... because you just couldn't build a house that large today in Pitkin County," says Maureen Stapleton, a real estate broker for [Aspen Snowmass Sotheby's International Realty](#) who was not involved in the deal. Construction in the ski town typically involves carting in materials and labor from other parts of the country, a costly and time-consuming endeavor that makes high-end inventory limited. Even so, "I don't know what the buyer's plans are but I can't imagine they won't renovate the house," she adds.

Bandar purchased the property in 1989 for a mere \$3.5 million. According to the [Aspen Business Journal](#), the Saudi prince built the main house and two other mansions on it over the next two years.

Stapleton, who brokered the 2008 sale of a Wildcat Ridge estate for \$36 million to Russian billionaire [Roman Abramovich](#), is well acquainted with the luxury offerings in Aspen and its tony neighboring towns. She says both foreign and domestic buyers have been actively touring properties in the area, noting that another high-end home listed at \$29 million just went into contract as well. Pocket listings, or homes like Hala Ranch that are not publicly listed for sale, have been particularly popular among moneyed buyers.

At \$49 million, the joint transaction is arguably the most expensive home sale in Aspen. It joins a trove of record-breaking real estate purchases witnessed across the country over the past year. Other recent staggering sales include a \$90 million-plus penthouse in [New York's yet-to-be-built One57 building](#) and the \$34.5 million purchase of Beverly Hills' Wehba Estate.

Paulson, who resides primarily in New York City, is no stranger to real estate, either. Both directly and through his funds, the hedge fund manager owns property in Arizona, California, Nevada, Florida and Hawaii. Hala Ranch is the second purchase he has made in Colorado since the recession: in 2010 he spent \$24.5 million on a 12,500-square foot home just outside of Aspen. Paulson "continues to be interested in real estate opportunities across the U.S.," according to his office's statement.

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