

YOUR MONEY



Garrett Hayim, the owner of Maserati of Manhattan, said the Tribeca dealership has sold 150 cars, priced at \$150,000, this year.

LINDA ROSIER/DAILY NEWS

Party's not over — yet

Even with layoffs and slashed bonuses, Wall Street's big earners keep spending as dark clouds loom

BY PHYLLIS FURMAN
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Maserati of Manhattan, a Tribeca dealership stationed near the financial district, sold 150 new cars priced at about \$150,000 this year.

Saks Fifth Avenue reported a 9% pop in November sales. An upscale Manhattan event planner is seeing strong demand for his \$200,000 plus events.

With Wall Street facing layoffs, slashed bonuses and the anger of Occupy Wall Street protestors, New York businesses catering to the rich have every reason to be worried about a pullback.

Bonuses are expected to be reduced by as much as 30% this year. Last week, Morgan Stanley said it would cut 1,600 jobs, the latest in a string of financial services companies set to erase thousands of positions.

But at least for the moment, Wall Street's highest-paid traders, investment bankers and hedge fund kingpins are spending bigtime.

"You would think people would be holding off," said Paul Brennan, regional manager for Prudential Douglas Elliman's Hamptons division. "The reality is, they are not."

One explanation: Even with Wall Street in the dumps, the highest end of the food chain is still raking it in.

"There is still a lot of money being made and significant dollars being spent," said Garrett Hayim, president of the Experience Auto Group, which owns Maserati of Manhattan.

It's too early to see the full impact of Wall Street's retrenchment, which could come early next year when shrunken bonuses are doled out and layoffs set in.

"We haven't seen the impact yet, but we are all wondering. It should resonate," said the owner of an upscale catering company in Manhattan. "Maybe there is a lag."

Some are beginning to notice caution creeping back.

Arthur Backal, a go-to event planner for New York's elite who was recently featured on "Real Housewives of New

York City," derives about one quarter of his business from Wall Street clientele.

His customers are still throwing lavish parties, but they have been minding expenses with care lately.

"People are playing things a little more last minute," said Backal, the owner of Backal Hospitality Group, whose upscale venues include the Apella Event Space at the Alexandria Center on E. 29th St. in Manhattan.

"They don't know what their income stream will be. Everyone is a little more cautious. I see contracts being revised and negotiated much closer to the event."

For now, high-end real estate in Manhattan has yet to show signs of Wall Street stress. In fact, it is faring better than the overall market, said Jonathan Miller, CEO of real estate appraisal firm Miller Samuel.

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Wall St. still boasts big spenders

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"The market is not showing a dire situation on Wall Street," Miller said. "Everyone is cheering for them to fail, but it hasn't happened yet. There is a disconnect between what people are saying and what they are doing. It seems to be counter to expectations."

During the summer months, 25 Manhattan apartments sold for \$10 million and above. While things have slowed down somewhat, Miller said he saw a recent pop in sales of Manhattan apartments priced at \$3 million and above.

"My most active market is the high end," said Dottie Herman, CEO of Prudential Douglas Elliman.

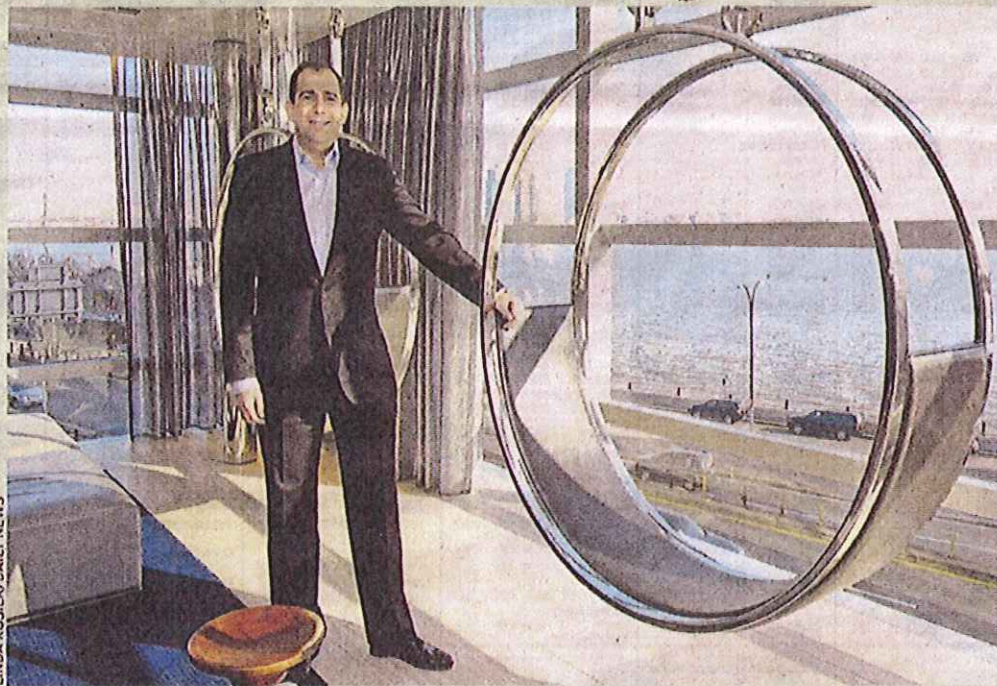
"Wall Street definitely affects real estate, but as of now we haven't heard anything."

Wall Street's appetite for swanky new rental buildings — where rents get as high as \$15,000 — is strong as well.

Clifford Finn, president of the new development market for Citi Habitats, said leasing is brisk for trophy buildings like New York by Gehry, whose amenities include a 50-foot swimming pool, a Pilates studio and a golf simulator.

"On average, 33% of people who rent in our newer, high-end buildings are Wall Street," Finn said.

Over in the Hamptons — Wall Street's playground — there were 40 sales this year in Bridgehampton and Sagaponack, priced at \$5 million and above, Brennan said.



LINDA ROSIER/DAILY NEWS

High-end event planner Arthur Backal, pictured at one of his venues, Apella, said his customers are still throwing lavish parties but are minding expenses more carefully.

"Anybody who is buying anything these days is Wall Street," he said.

Christmas is off to a good start at Saks Fifth Avenue — whose Fifth Ave. flagship is a shopping destination for Wall Streeters — capping off a strong year.

"We had a solid start to the fourth quarter," said Saks spokeswoman Julia Bentley.

At Manhattan Automobile Company, sales of Land Rovers are up 39% this year and Volvo sales are up 32%, though Jaguar sales were flat, said the dealership's president Gary Flom.

"We've seen strong, consistent consumer traffic," he said.

Hayim noted that even with dark

clouds on Wall Street, attitudes have improved since the economic crisis hit in 2008.

"People are taking bad news better than they did in 2008," Hayim said.

"They need a reprieve. We are a country of consumers. People want to enjoy life."

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