

World's Most Expensive Homes 2007

by Matt Woolsey
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Along Australia's Gold Coast and across the French Riviera, they sit above the beach offering extraordinary views of the sea. In the U.K. they are palaces that humble the Queen's Belgravia mansions.

Others range from landed estates throughout continental Europe to nature preserves in Zambia.

These are some of the world's most expensive properties, and the prices are as unique as the homes. Saudi Prince Bandar bin Sultan's Aspen ski lodge lists for \$135 million, while 6,000 miles away, a 64-room Istanbul waterfront mansion asks \$100 million.

"You're definitely talking about the highest end of the market here," says Joshua Saslove of Joshua & Co., an Aspen, Colo.-based affiliate of Christie's Great Estates. "The net worth of the buyers and the sellers is such that they can do whatever they want."



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Bran Castle in Brasov, Romania

Feeling a little less flush? A modest \$18 million will get you South Africa's priciest pad. But you'd better act quick; with international real estate company Knight Frank calling the country one of the quickest growing real estate markets, that affordability could soon change.

For something a little more "Old World," a Romanian castle, built in 1212 and once home to Vlad the Impaler (the inspiration for Count Dracula), can be had for \$140 million.

Buyers' Bios

Whether they're plunking down \$20 million or close to \$200 million, in Hong Kong, New York or Rio de Janeiro, potential buyers are generally cut from the same cloth.

They are wealthy globetrotters looking for a second, third or fourth home, and don't mind gassing up the jet if it means owning a beautiful property. Americans, Arabs and Europeans have long bought getaways across the globe, but increasingly the rising wealth in China, India and Russia is raising the world's luxury watermark.

And while no one besides Indian steel tycoon Lakshmi Mittal has ever shelled out more than \$100 million for a home (he did so in 2005, when he snapped up a Kensington townhouse for \$127 million), there are plenty available.

Dream Homes

Though it hasn't yet been built, Tim Blixseth is asking \$155 million for his planned Montana lodge. He says that several members of the Forbes 400 have already expressed interest in what will be a 53,000-square-foot stone-and-wood mansion in the billionaire's members-only Yellowstone Club.

But until Blixseth finishes construction in 2008, this year's top property can be found in Beverly Hills, Calif. For \$165 million, a buyer gets a 75,000-square-foot villa once owned by William Randolph Hearst.

Dishing The Data

For the third consecutive year, Forbes.com compiled lists of the world's most valuable properties on the market in every continent, excluding Antarctica. We scoured international real estate listings and spoke to top brokers around the world, restricting our list to homes and apartments, not including apartment buildings or plots of land. We allowed for some commercial properties such as ranches or vineyards, but only if the property also featured a residence worthy of the list.



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\$165 million Villa in Beverly Hills, Calif.

Still, discovering every top-tier property is impossible. Many owners sell their homes only to preselected buyers, and hide their asking and sales prices. This can help owners conceal the value of a home for tax purposes, and keeps fellow aristocrats from regarding them as gauche for announcing a \$100 million property to the world.

In France, for example, this year's highest listing is \$65 million for an elegant Cote d'Azur gem perched above the port of Saint Jean, with views of Beaulieu and Monaco.

But real estate agents say there are many more available on the sly.

"We have chateaux priced at more than 50 million euros (\$65 million)," says Thierry Journiac of Terra Cognita who said owners of the country's priciest properties very rarely make public listings. "But, in general, the most expensive estates in France are private mansions inside Paris called 'hotels particuliers' with prices which can be above 100 million euros (\$130 million)."

Since the top flight market is so cost-prohibitive, factors such as mortgage, appraisal and vacancy rates, as well as moving expenses and market fluctuations, have little-to-no effect on high-end buyers or sellers.

"[Properties] might be sold within a week or stay on the market much longer," says Journiac. "This is because their owners do not really need money and so do not want to discuss the price much."

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Donald Trump, for example, bought his Palm Beach mansion three years ago for just over \$40 million and, after extensive refurbishing, placed it back on the market at \$125 million, a price from which "the Donald" says he will not budge.

For real estate agents, selling homes valued at over \$10 million is a very specialized trade and most brokers in the game hold only a handful of such listings at a time. An occasional sale of a top-flight property brings a larger financial boom than regular sales of median-priced properties.

"Considering the sales volume, the high-end market can be slower," says Patricia Judice de Araujo Esteves, at Judice & Araujo, the Brazilian affiliate of Christie's Great Estates. "But it is more profitable, not only for us, but also for the owners."

Ripe Market

If 2007's listing prices are any indication, the highest-end market has room to grow. When we started the list in 2005, Trump's Palm Beach mansion was the only American property listed above \$100 million--there are now three--and outshined second place by \$50 million. Now, similarly sized houses listed at \$75 million represent an absolute steal.

When the Three Ponds estate in Bridgehampton first listed at \$75 million three years ago, it towered over the rest of the market. Now, people are buying teardowns in the Hamptons for \$35 million to \$40 million, say real estate agents there.



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Updown Court in Windlesham, Surrey

Three Ponds is located on over 60 acres of prime real estate and also features its own USGA-rated Rees Jones golf course, 14 gardens, a 75-foot-long swimming pool and guest house. It has the rare distinction of being both the Hampton's most expensive property and the most pound-for-pound valuable property.

"For \$75 million you actually get something for your money, which is rare in the Hamptons," says Susan Breitenbach, the Corcoran listing agent. "That price is no longer a crazy number, like people first said it was."