

Unreal Estate: \$21M Mansions on the Block

Joe Mont

07/22/09 - 09:19 AM EDT

While many toil to sell tattered baseball cards and grandma's dusty cameos on **eBay**([EBAY Quote](#)), owners of [luxury estates](#) are putting a high-end spin on the world of auctions.

A drop in demand for [multimillion-dollar homes](#) has forced sellers to consider the undesirable choice of sitting on their properties while they wait for a market rebound, or selling at a discount. Instead, more mini-palace owners are taking their chances on the auction block.



On July 25, four properties near Jacksonville, Fla., will be put up for auction, including an estate in Ponte Vedra Beach previously offered at \$5.9 million.

Chris Longly, deputy executive director of the National Auctioneers Association, says auctions can help highlight intangible qualities that should be factored into a home's value.

"Perhaps a celebrity lived in it," he says. "What's the value of that? What is someone willing to pay? Or you have this priceless view from a mountain top. We are going to be able to tell you in about six minutes how much that property is worth."

These days, most people associate auctions with foreclosed homes. But these upcoming sales are a far cry from the distressed properties that usually get the treatment.

[J. P. King Auction Co.](#), the nation's oldest real estate auction house, will soon take bids on Eagle Landing Estate, a 15-acre lakefront property in Hickory, N.C., that was originally listed for more than \$4 million. Another significant property -- one that might inspire you to stock up on **Nike**([NKE Quote](#)) polo shirts and **Callaway Golf**([ELY Quote](#)) clubs -- is North Augusta Golf and Country Club, a golf course located minutes from Georgia's Augusta National.

[Concierge Auctions](#), with offices in New York and Florida, formed 2 1/2 years ago to take advantage of the growing trend of moving mansions.

July has been a busy month for the company, with several properties up for grabs in Florida. On July 25, four properties near Jacksonville will be put on the block, including a waterfront estate in Ponte Vedra Beach previously listed at \$5.9 million. The company has also been retained to auction a 25,000-square-foot mansion in Boca Raton that was previously on the open market for \$21.9 million.

"We are saying we are going to do this in three weeks," Concierge Auctions President Laura Brady says. "We are not just going to wait for buyers to make offers; we are going to force them all to come to the table at the same time and compete against each other. "

A typical property sold through her company has a \$3 million price tag. The company says it generates 25 prospects per property, and 85% of its buyers pay cash. Competition eliminates the chance that these "no reserve" auctions will be low-balled, she says.

"I have no doubt that any auction we have held has actually brought what market is," she says, adding that auctions are a better play than "dangerous price reduction strategies."

"The buyers are just going to watch the price keep going down and down," she says. "They are just going to think, 'Why would I buy it this month when next month it is going to be half a million dollars less.' "

Visit TheStreet for more great features

THESTREET PREMIUM SERVICES

From the action-oriented investing ideas of *Action Alerts PLUS* by Jim Cramer to the expert technical trading strategies of Helene Meisler's *Top Stocks*, TheStreet.com offers a range of premium services to help boost your portfolio's performance. [View now](#).

EXPERT ADVISORS ALERTS DELIVERED TO YOUR INBOX

Action Alerts PLUS: Cramer's personal portfolio, emails before he acts.
RealMoney: 70+ experts share their top investing ideas and analysis.
Stocks Under \$10: Alerts identify undervalued stocks with profit potential.

FREE NEWSLETTERS

Get an edge on the market with the help of free email newsletters like Jim Cramer's *Daily Booyah!*. Learn about the day's major market events, companies that sizzled or fizzled and lots more that can help you make more profitable investing decisions. [Sign up](#).

Sponsored Links

NASDAQ Biotech Stock

Noble Prize winning technology Potential cure for many diseases
www.redchip.com

PennyStocks Soaring 600%

Sign up for FREE email alerts on stocks that jump 600% and more!
www.InsanePicks.com

Top Penny Stocks To Buy

Penny Stocks Ready To Explode! Invest Now!
JustClickLocal.com

[Buy a link here](#)

BROKERAGE PARTNERS

© 1996-2009 TheStreet.com, Inc. All rights reserved.

TheStreet.com's enterprise databases running Oracle are professionally monitored and managed by [Pythian Remote DBA](#).

Quotes delayed at least 20 minutes for all exchanges. Market Data provided by [Interactive Data](#). Company fundamental data provided by [Morningstar](#). Earnings and ratings provided by Zacks. Mutual fund data provided by ValueLine. ETF data provided by Lipper. [Terms & Conditions](#). Powered and implemented by [Interactive Data Managed Solutions](#).

TheStreet.com Ratings updates stock ratings daily. However, if no rating change occurs, the data on this page does not update. The data does update after 90 days if no rating change occurs within that time period.

IDC calculates the Market Cap for the basic symbol to include common shares only. Year-to-date mutual fund returns are calculated on a monthly basis by Value Line