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Trump Tower's "Rediculist" \$32 Million Condo

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A 14,000-square-foot penthouse atop the Trump International Hotel and Tower snagged lots of media coverage last week for being the loftiest home in the western hemisphere and, at \$32 million, Chicago's highest-priced home. But will it sell for that much?

"Maybe it's not going to sell for the full \$32 million, but I don't think there's going to be any issue selling it," the listing agent, Chezi Rafaeli of Coldwell Banker, told me Tuesday on an exclusive walk-through of the 89th-floor condo. He said that in just the previous two days, he'd

had five queries from buyers in foreign countries, all of whom were qualified to buy at such a price.

As you see in the photos below, the unit is unfinished. There are walls, which a buyer might move to make a custom floor plan, but nothing else. Rafaeli estimates that finishing the place suitably will cost between \$300 and \$700 a square foot—or between \$4.2 million and \$9.8 million on top of the purchase price. “You’re probably talking about \$40 million when you’re done,” Rafaeli said.

Rafaeli said that he’s also had inquiries from potential buyers who already live in Chicago. He expects that the ultimate buyer will be “someone who has houses all over the world and wants the finest in Chicago. They won’t live here year-round, but they may send their children to school here.”

Since listing the condo a week ago, Rafaeli has “marketed this condo to every single top agent in Russia, Ukraine, Germany, Israel, China, and Asia—the places,” he said, “where the buyers are looking for these types of properties.” He noted that about 40 percent of his sales are to international buyers.

With his name attached to advertising and articles on this superluxury property, Rafaeli certainly gets a boost in name-recognition. “It’s great advertising for Chezi himself,” said one Chicago agent with a track record in high-end home sales who asked not to be identified because of business relationships. “This is the number-one approach of everyone at that level now. They say, ‘Oh, it’s worth so much,’ the client loves that, and then they get their name associated with it.”

That agent and others lumped the Trump condo in with Michael Jordan’s 56,000-square-foot Highland Park home, which came on the market at \$29 million in February. “You’ll sell it at half the price at some point, but for now you get the headlines buzzing,” the agent said.

“Somebody will bid millions off that asking price later, but for now you’re talking about the biggest number in the city,” said another top agent who asked not to be named but has had numerous dealings with Trump Tower. “You’re *talking* about it.”

Although some reports suggested the price was new, the condo has been listed at \$32 million since sales began in 2003, but not with Rafaeli. “It hadn’t been seriously marketed until now,” he said. When his listing first hit last week, I asked my Twitter followers what to call a property that is marketed at way over its actual value in order to grab attention. Daly Donellan at FLATS Chicago offered an apt term: ridiculisting.

But Rafaeli maintains that this is no ridiculisting. “It’s the most exciting property in the western hemisphere,” he told me. “You have 14,000 square feet in the highest place [you can] live anywhere in America, and you have views of the lake and the river and every landmark in the city of Chicago. Room service, valet service, and maid service from a five-star hotel, and the Sixteen restaurant downstairs.”

Recent megasales, such as the \$88 million condo in Manhattan and the \$100 million mansion in California, suggest international buyers are coming to America. “A price like this actually draws more energy from the buyers of this magnitude,” Rafaeli said. “It creates interest among the billionaires who [aren’t impressed by] properties in the \$6 million range.”

But one of the unnamed agents noted that “while Chicago is more on the radar internationally than it’s ever been, we just don’t have as strong an international market as New York. It’s not as much of a market for the trophy property.”

The condo’s asking price—before finishing it out—comes to about \$2,244 a square foot. That’s more than twice the going rate for the best condos in the building. One of the unnamed agents said that “premium units have sold for \$875 or \$876 a square foot, though you’ve had smaller units selling in the \$500 or \$600 a square foot range.” Rafaeli, who lives in the building, counters that several of the most desirable homes—three-bedroom units on the building’s southeast side with views over the river and much of the skyline—went for \$1,000 a square foot in 2009.

“You can’t compare this on per-square-foot to others in the building or even at the Elysian,” he added. “There is nothing else like this. Nothing. It’s the rule of supply and demand. There is only one of these, so it’s worth more.”