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Bel-Air mansion fetches highest price this year for a U.S. residence

The 48,000-square-foot French chateau exceeds the previous 2010 record of more than \$46.5 million, although the final purchase price isn't released.

By Lauren Beale, Los Angeles Times

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Los Angeles' high-end residential market just got a jump-start: A mammoth French chateau on 2.2 acres in Bel-Air has been sold for the highest price of any U.S. residence so far this year. advertisement

FOR THE RECORD:

A previously posted version of this article ran with a photograph of the wrong house and erroneously included some details related to that house. The exterior of the Bel-Air mansion does not feature more than 30,000 pieces of limestone mined in France. The entry, living room, library and master bedroom are not gilded with 24-karat gold. The home doesn't have 90 sconces and 120 chandeliers made in France. Average room size isn't about 1,100 square feet. In addition, the story incorrectly said Joyce Rey and Stacy Gottula of Coldwell Banker Beverly Hills shared the listing with Mauricio Umansky of Hilton & Hyland, Beverly Hills; Rey and Gottula had the listing alone.

Although he wouldn't release the sale price, seller Mohamed Hadid confirmed that it was in excess of the previous record of more than \$46.5 million set this spring in Colorado, falling between \$50 million and the asking price of \$72 million. In Los Angeles County, sale prices can take more than a month to appear on the public record.

Designer-developer Hadid had listed the walled and gated estate 15 months ago at \$85 million.

The 48,000-square-foot estate, called Le Belvedere, was bought in the name of a limited liability company, not an individual. "Even I don't know who bought it," said Hadid, who has built Ritz-Carlton hotels, office buildings and king-size estates nationwide during his 30-year-plus career.

The mansion, built in 2006, has 19 fireplaces, 10 bedrooms, 14 bathrooms and a three-flight elevator.

There's a 5,000-bottle wine cellar and tasting room, a grand ballroom, a commercial kitchen, a screening room, a gym, a Turkish steam bath and a game room. The garage can hold 10 to 12 cars, and a motor court provides outdoor parking. A swan pond, fountains and rose gardens grace the manicured grounds.

The sale is the first among a handful of ultra-expensive Los Angeles-area homes that have been patiently sitting at the top of the real estate market, weathering the down cycle. They include Candy Spelling's \$150-million Manor in Holmby Hills, listed in March 2009, and the \$125-million Fleur de Lys, also in Holmby Hills, on the market more than three years.

Last year, the highest-priced local deal was DreamWorks co-founder Jeffrey Katzenberg's purchase of a

6.3-acre estate in Beverly Hills for \$35 million. The most pricey home transaction ever in California was the 2000 sale of an 8-acre estate in Bel-Air to financial executive Gary Winnick for \$95 million.

"I think it did put L.A. back on the map," Hadid said of setting the 2010 record. "If you have a good product and quality real estate, you can sell."

Multimillion-dollar home sales are difficult to track because there are so few sales in this stratosphere, but luxury home sales appear to have rebounded in 2010 after languishing for a few years. Closings of homes in the \$2-million to \$5-million range were up 32% in the first quarter from a year earlier, according to real estate research firm CoreLogic.

"The economy is irrelevant for these folks," Christopher Thornberg, principal at L.A.-based Beacon Economics, said of buyers able to afford homes like Hadid's. "They have really deep, deep pockets."

Because this sale is "head and shoulders" above most of the luxury market, it doesn't say a lot about a recovery in that sector, Thornberg said. But the rebound in the stock market and the reemergence of affordable jumbo loans have contributed to a nascent recovery at the upper end, where houses have started to sell again, he said.

Hadid, who declined to say where he was moving, spared no expense on his personal residence. Inspired by the architecture of the Palace of Versailles and other French chateaux, Hadid designed the house to be "true to its origins inside and out."

The intricate details in the design and decor make the house feel like a home "rather than a big hotel lobby," Hadid said. "You have to make it warm or it becomes like a warehouse."

Hadid, who bought the raw land less than a decade ago for \$5.6 million, places the current value of the land alone at \$35 million. He spent \$11 million on redeveloping the lot and adding retaining walls to create the flat area and take advantage of the views of Bel-Air.

Someone trying to re-create the structure today would have building costs of between \$50 million and \$60 million and a wait of several years for completion, he said.

Hadid, who has five residential projects on the market and five more on the way, is focusing his efforts on L.A.'s Westside these days. "They are all within a 5-square-mile drive from my house," he said. "I love working here."

Bullish on the value of L.A. real estate compared with other parts of the U.S. or Europe, Hadid said he planned to stay nearby, "building a completely different style" of house for his own use.

The previous year-to-date record holder, the 3,151-acre Boot Jack Ranch in Pagosa Springs, Colo., came on the market in 2008 for \$88 million. The price was reduced to \$68 million in response to the "radical shift" in the market, according to the seller's broker, Bill Fandel of Peaks Real Estate Sotheby's International Realty, Telluride, Colo.

The sales price of the ranch "seems representative of current conditions in the top-tier residential market," Fandel said, where high-net-worth buyers are "seizing the opportunity to acquire irreplaceable assets."

Joyce Rey and Stacy Gottula, Coldwell Banker Beverly Hills, had the listing. The agents declined to comment on the terms of the sale, citing confidentiality agreements, but said they were "thrilled" to have set the record dollar mark for a sale so far this year.

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