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## THE WALL STREET JOURNAL.

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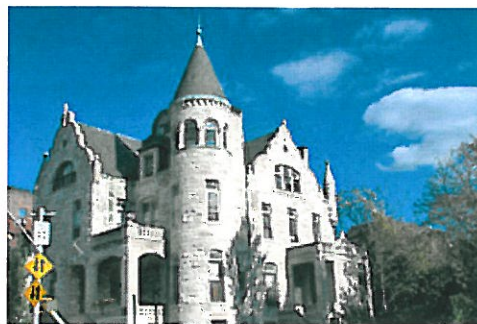
AUGUST 31, 2009, 2:53 PM ET

# Big Deal? \$10 Million Manhattan Mansion Sells for \$1.4 Million

Need a better sense of the state of the New York City real estate market? Consider the Bailey mansion, a rare free-standing house in Harlem with 12,000 square feet of space.

Originally listed in November 2008 for \$10 million, the 121-year-old house sold in July for \$1.4 million. Stribling agent Lori Huler Gluck blamed the weak economy when sellers chopped to list price to \$6.5 million in April. It goes without saying that Harlem has been one of the hardest-hit markets in Manhattan.

Even as sales picked up a bit over the summer, the city's real estate woes seemed to deepen in less established neighborhoods, including W. 150th Street and St. Nicholas Place where the Bailey Mansion is located.



See more photos of the Bailey Mansion

The home has a rich history, built by circus entrepreneur James A. Bailey, who intended it to be his last residence. But the neighborhood never fulfilled Mr. Bailey's expectations. From the [NY Times](#):

*...Bailey thought that St. Nicholas Place would be lined with other mansions and would develop into a Harlem version of lower Riverside Drive. But Bailey was disappointed by apartment construction in the area in the 1890's, Mr. Adams said, and moved to Mount Vernon, N.Y.*

The buyers are listed as Martin and Jie Spolle and while terms of the deal haven't been disclosed, an all-cash purchase could help explain the discount, says [Curbed.com](#). The New York real estate site asks if this is the Steal of the Year? It's a good question. The house clearly has some major downsides: Aside from the neighborhood, the mansion requires a good deal of renovation. On the other hand, you'd be lucky to get 1,000 square-feet in Manhattan for this price.

Is it shrewd to buy in less desirable areas of a city where price cuts may be the steepest. Or are the risks of buying in edgier neighborhoods too great?

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