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Far from irrational exuberance

by Erik Ipsen

The weather outlook calls for storms. The financial outlook calls for worse, but look on the bright side. Irrational exuberance, investors' belief that all trees grow to the sky—the dark force that Alan Greenspan warned us of a few years back—has been vanquished big time. Now, sadly, we're closer to an era where Franklin Roosevelt's warning in the 1930s that, economically speaking, “we have nothing to fear but fear itself,” makes sense. All of that, of course, logically draws us to a joyful contemplation of Williamsburg, Brooklyn. Sure, on Friday morning we discovered that the U.S. economy had added ZERO jobs in August. Sure, the Euro is again falling to pieces, American leaders cannot even agree on when to have the president speak much less on what he really ought to say, and even China's economic engines are slowing. But across the East River, the property market is chugging along.

“[Rebirth seen in Brooklyn's hip streets](#),” reads the headline of a story in *The Wall Street Journal* about a rebound in the Williamsburg property market. There, “at least eight” residential projects where work had ground to a halt during the recession are back in gear. Some are under new ownership, some are smaller than planned, and nearly all are cheaper—but they're hitting the market and units are selling, despite all the doom and gloom out there. Case in point is the Edge, the huge condo development on the river. Its 565 units have lately been going at the rate of 25 to 30 a month, according to Jeff Levine, the developer of the project. Happily, Williamsburg is far from the only place around town where condos are still finding buyers and irrational fear is not crushing the market.