

**LUXURY REAL ESTATE** Priciest deal in four years

# Palm Beach oceanfront mansion sells for \$41.5M

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The ultra-luxury residential market is far removed from mid-2008 when investors like Donald Trump sold mansions for prices approaching \$100 million, but the \$41.5 million sale of a Palm Beach residence shows the market is beginning to close the gap.

The latest indicator of a high-end residential resurgence came July 24 when Stanley N. Gaines and Gay Hart Gaines sold an oceanfront mansion at 1473 N. Ocean Blvd. to Arizona company Endigian LLC.

That deal followed the July 18 sale

of two vacant residential properties at 1902 and 1906 S. Ocean Blvd. for nearly \$24 million. The sellers were Mitchell Rubenstein and Laurie S. Silvers.

The town has not had such an expensive home sale since Trump's July 2008 sale of a mansion at 515 N. County Road to Russian billionaire Dmitry Rybolovlev for \$95 million. Three months before the sale, movie producer Sidney Kimmel sold a 1,236 S. Ocean Blvd. estate for \$81.5 million to former Goldman Sachs partner John L. Thornton.

"That was a different market," Leslie Robert Evans, a Palm Beach real estate attorney, said Tuesday. Evans, who publishes the Evans Report, an analysis of the town's



Gaines

## DEALMAKER

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residential sales, was not involved in the Gaines sale, which was recorded by Palm Beach County on Monday.

Stanley and Gay Hart Gaines are prominent in business and politics, most notably as major fundraisers for former presidential candidate Newt Gingrich. The couple's relationship with Gingrich dates back to the mid-1990s when Gay Hart Gaines served as chairwoman at Republican training organization GOPAC. She is currently on the board of the Corporation for Public Broadcasting. Messages left for her through a CPB spokeswoman were not returned by deadline.

Stanley Gaines is a retired director of International Coal Group Inc., according to Forbes. He had a lengthy business career, most notably as chairman and CEO of automotive and battery company GNB Inc. and general manager of five business units at International Coal. He could not be reached for comment.

Arizona corporate records identify Scottsdale attorney Douglas Wilson as the registered agent for the buyer Endigian. Calls to Wilson were not returned.

## LONGTIME OWNERS

The Gaineses paid \$6.5 million for the home in 1998, according to public records. The two-story mansion was built in 1960 and totals nearly 18,000 square feet on 1.91 acres. An elevator and fountain were installed at the three-bedroom, 4½-bathroom home in 2009.

The property also includes a 1,824-square-foot patio and swimming pool. The Palm Beach County property appraiser most recently assessed the property at \$19.91 million.

After several home sales above \$20 million in the past few years, Palm Beach had a quiet first quarter. No homes were sold for more than \$15 million during the quarter, according to the Evans Report.

The May 29 sale of a mansion at 1840 S. Ocean Blvd. for \$23.5 million was the town's most expensive in a year, but that has now been eclipsed twice.



GOOGLE MAPS

## AT A GLANCE

**Address:** 1473 N. Ocean Blvd., Palm Beach

**Property details:** Two-story, 17,084-square-foot mansion built in 1960 on 1.91 acres

**Price:** \$41.5 million, or \$2,429 per square foot

**Sellers:** Stanley N. Gaines and Gay Hart Gaines

**Buyer:** Endigian LLC, an Arizona company

Unlike 2008 when "people were spending money because they had it," the recent Palm Beach home sales are being driven by "defensive" sellers and strategic buyers, according to Evans.

Some Palm Beach mansion owners are motivated to sell by political uncertainty, he said. The outcome of the presidential election could result in an estate tax hit for certain owners.

For buyers who can afford pricey residences, these homes represent a potential hedge against inflation and a safe place to park money.

"There are no capital gains [taxes] on appreciation," Evans said. And "there will be inflation one of these days. It's just a question of when it hits."

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