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The Luxury market in 2021: Sky-HighPrices, Scandals and Acquisitions

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The luxury housing market had a strong year in 2021. High-net-worth individuals continued to buy and sell homes at a quick pace as they and their businesses generally thrived amid the continued trend of working from home.

As a result, many luxury agents had outstanding years. The percentage of existing single-family home sales priced above \$1 million also shot up this year, which helped agents in this market sector, as home prices across the country more generally surged.

But 2021 also saw some significant shakeups in the luxury real estate world — a number of acquisitions changed the scene and a major industry figure stepped out of the limelight. Tragedy also found the luxury market this year when a condo building in Miami collapsed and took numerous lives with it.

But luxury real estate wouldn't be the same without its penchant for scandal and big price tags, and 2021 delivered this as well.

Here's all you need to know about what happened in the luxury market in 2021.

... Long-time Douglas Elliman CEO Dottie Herman stepped down this year to take an advisory role as the brokerage's vice chair, while former president and chief operating officer Scott Durkin took up her mantle. Herman's accomplished career has spanned across more than four decades and has been dotted with numerous accolades, including being named to Forbes' List of America's Self-Made Women back-to-back in 2016 and 2017. After several years with Merrill Lynch and Prudential Long Island Realty, Herman purchased Douglas Elliman in 2003 with business partner Howard Lorber.

Durkin had been on Herman and Lorber's minds for the last several years as a likely successor. "I am impressed by [Scott's] experience, tenacity and his appeal to agents, managers and staff alike," Herman said at the time. "Elliman is in excellent and very capable hands."

Herman's decision to step down came at an interesting time. Just one week earlier, Herman incurred a bit of ire for an appearance on Fox Business in which she railed New York City's increasing crime and how it might negatively impact New York's rebounding real estate market.

However, agents Inman spoke with largely disagreed: "All New Yorkers are concerned about the increase in crime, but it hasn't changed the buoyancy of city life and the streets are busier than ever," Fox Residential Founder Barbara Fox wrote to Inman. "I'm never afraid to walk around the city (and I do a lot of that!) and don't find the streets daunting at all, at any time of day."

That wasn't the end of Douglas Elliman's big news this year, however. In November, the brokerage announced it would be spinning off from parent company Vector Group in a bid to go public — and in an effort to woo investors who won't back a cigarette maker (Vector Group also owns tobacco company Liggett Group).

If approved, Lorber will become CEO and chairman of the new company, Douglas Elliman Inc. Meanwhile, current CEO of Douglas Elliman, Durkin, will become CEO of the company's new brokerage arm, which will be called Douglas Elliman Realty. The company will trade under the ticker "DOUG."