

IN THE NEWS

The New York Times



For Parking Space, the Price Is Right at \$225,000

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July 12, 2007



Hiroko Masuike for The New York Times

Cynthia Habberstad, with her children, Andrew, Brielle and Brooke, said she regretted not buying a parking spot for \$165,000 with the apartment she bought on West 28th Street. The spaces are now all taken.

In Houston, \$225,000 will buy a three-bedroom house with a game room, den, in-ground pool and hot tub.

In Manhattan, it will buy a parking space. No windows, no view. No walls.

While real estate in much of the country languishes, property in Manhattan continues to escalate in price, and that includes parking spaces. Some buyers do not even own cars, but grab the spaces as investments, renting them out to cover their costs.

Spaces are in such demand that there are waiting lists of buyers. Eight people are hoping for the chance to buy one of five private parking spaces for \$225,000 in the basement of 246 West 17th Street, a 34-unit condo development scheduled for completion next January. The developer, meanwhile, is seeking city approval to add four more spots.

Parking in new developments is selling for twice what it was five years ago, said Jonathan Miller, an appraiser and president of Miller Samuel.

Although spaces in prime sections of Manhattan are the most expensive, even those in open lots and in garages in Brooklyn, Queens, Riverdale and Harlem are close to \$50,000, although at least one new Brooklyn development is asking \$125,000.

Scarcity figures big in the escalating prices. Mr. Miller estimated that less than 1 percent of all co-op and condominium buildings in the city have private garages. The city also limits how much parking new buildings below 96th Street can offer, requiring that no more than 20 percent of the units have spaces.

“It’s a fairly rare amenity,” Mr. Miller said. “And in the world of pet spas and on-site sommeliers, it’s actually a pretty functional amenity.”

In other densely packed cities where space and parking are at premium, parking spaces in condos also tend to trade at high prices. In Boston, they can sell for as much as \$175,000, and they go for as much as \$75,000 in Chicago. But in other cities, like Los Angeles and Dallas, most condos include parking in their prices.

For developers in New York, parking is the highest and best use for below-grade space and fetches about the same price per square foot as actual living space, which costs much more to develop. According to Miller Samuel, the average parking space costs \$165,019, or \$1,100 per square foot, close to the average apartment price of \$1,107 per square foot. Those are averages, of course. A \$200,000 parking space is about \$1,333 per square foot.

If parking at the Onyx Chelsea, a new 52-unit condo at 28th Street and Eighth Avenue, is any indication, there is plenty of demand. The first two spots sold for \$165,000, the third for \$175,000 and the last two for \$195,000. Each space will include about \$50 in monthly maintenance costs. Still, there are three buyers on a waiting list.

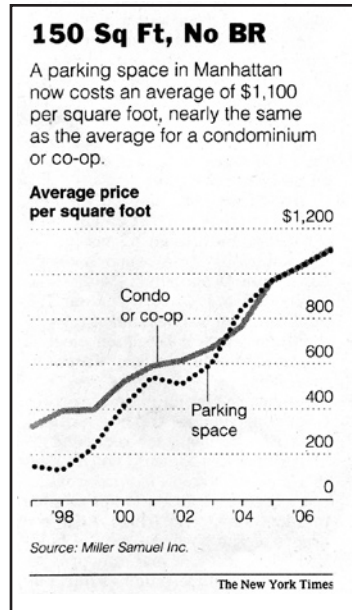
Buyers and brokers across the city are confident that prices will only go up as finding a parking space becomes more difficult. In fact, 40 parking garages or lots in the city have closed within the last nine months while only 23 new ones have opened, said Margot J. Tohn, publisher of “Park It! NYC 2007,” a parking garage guide.

“It’s not at a huge, huge scale, but we definitely are losing parking,” Ms. Tohn said.

Cynthia Habberstad is at the top of that list. She chose not to buy a spot when they were selling for \$165,000, but changed her mind only to learn that all the spaces had been taken.

“At first, I was getting overwhelmed and didn’t want to spend the money,” Ms. Habberstad said. “I’m kicking myself now, believe me.”

She and her three children, ages 7, 9 and 11, live on Long Island, but the children’s modeling schedules bring them into the city at least twice a week, and the apartment they bought in the building will be a pied-à-terre.



“If we’re coming in late from dinner or we have a lot of stuff in the car, do we really want to have to walk a few blocks to get home?” Ms. Habberstad said. “It all makes sense now that I don’t have it.”

Developers are well aware of the demand. “We’re putting in parking in pretty much every development that we’re working on,” said Shaun Osher, the chief executive of Core Group Marketing, which represents 246 West 17th Street and about a dozen other new condo buildings.

In-building parking allows city dwellers with cars to replicate the suburban ideal where they can park, take their keys and walk right into their homes, Mr. Osher said.

At the Fifth Street Lofts in Long Island City, Queens, which are scheduled for completion at the end of the year, Jackie and Lee Freund bought an apartment and three garage spaces at \$50,000 each, even though they own only one car.

“We bought three because we know the parking situation is bad now and its only going to get worse,” Jackie Freund said.

The Freunds, who have a 2-year-old son, have lived in a nearby rental building for the last three years. After dealing with the hassles of parking on the street, they got a space in a nearby garage.

“We’ve had the car towed, and my sister had hers towed when she came to visit and parked on the wrong side of the street,” she said. “They’re crazy for towing around here since the tow pound is nearby.”

The Freunds plan to sell one of their extra spots at the Fifth Street Lofts and rent out the other.

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Tom Postilio, a broker for Core Group Marketing and the director of sales at 246 West 17th Street, said: “There are people looking for apartments who have the attitude, ‘Love me, love my car.’ And for them, if there’s no place to park on the streets, it’s practically a deal to get a parking spot for \$225,000.”