

Yours for \$225,000: a place to park

Spots in new Manhattan condominium development now going for more than typical U.S. home price.

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NEW YORK (CNNMoney.com) -- Parking spaces in New York cost as much as \$225,000 and could soon be going higher still, putting the cost for the prime spots above the price tag of the typical U.S. home price.

Manhattan real estate agent Tom Postilio said there is a waiting list of seven or eight people hoping to pay \$225,000 for one of five private parking spaces that has been approved in the basement of 246 West 17th Street, a 34-unit condo development scheduled for completion next January.

The developer of that building is seeking permission to add another four spots, and Postilio said the addition spots are likely to cost even more than the current price, although he could not give an exact price.

"Supply and demand being what it is, there's probably going to be an increase," he told CNNMoney.com.

That latest figures from the National Association of Realtors put the nation's median existing home price at \$223,700 in May, meaning that half of the homes sold in the month sold for less than that and half sold for more. Overall, home prices nationwide have been declining in the face of a slump in home sales this year.

Part of the reason for the pricey spots in New York is city rules controlling new residential buildings in most of Manhattan that limit spots to about 20 percent of the units, according to *The New York Times*, which first reported the \$225,000 price tag in an article Thursday.

That limit has resulted in some condo buyers paying roughly as much per square foot for their car's home as for their own, according to the paper.

The paper says that property appraiser Miller Samuel estimates that the average parking space in the expensive neighborhoods of Manhattan now costs \$165,019, or \$1,100 per square foot. That compares to an average apartment price of \$1,107 per square foot.

Sometimes the parking spot costs more than the finished space in the same building. The building at 246 West 17th Street with the \$225,000 parking spots has two-bedroom, 2-1/2 bath 1,717-square-foot units listed for \$2.2 million. That works out to \$1,281 a square foot, while parking spot costs about \$1,500 a square foot.

That building isn't the only one which is seeing prices rise before tenants even move in. The paper reports that another 52-unit condo under development in the city's Chelsea neighborhood had its first two spots go for \$165,000, the third for \$175,000 and the last two for \$195,000.

One of the buyers of a condo in that building told the paper she regrets passing up the chance to buy one of those spots.

"At first, I was getting overwhelmed and didn't want to spend the money," Cynthia Habberstad told the paper. "I'm kicking myself now, believe me."

Some people are buying parking spots even if they don't own cars, but instead buy the spaces as investments, renting them out to cover their costs.

Parking has long been a costly endeavor in New York, but expensive spots are not limited to those Manhattan neighborhoods. The paper reports that open lots and garages in Brooklyn, Queens, the Riverdale neighborhood of the Bronx and Harlem are close to \$50,000, although at least one new Brooklyn development is asking \$125,000.

And some other major cities are also seeing eye-popping prices for parking spots. The paper reports that in Boston, spots can sell for as much as \$175,000, and as much as \$75,000 in Chicago. But in other cities, like Los Angeles and Dallas, most condos include parking in their prices.

Courtesy of JB Goodwin