

## **Creature Comforts, à la Carte**

*In New York's Luxury Apartments, Amenities Are Costly Add-Ons*



*Amenities including maid's rooms, storage spaces, wine cellars and parking spots can cost up to seven figures in high-end condominiums. Credit: Getty Images*

The uninitiated buyer could be forgiven for thinking that an apartment with a price tag of \$10 million, \$20 million or much more comes fully loaded with amenities. But as prices for ultraluxury condos in Manhattan continue to climb, practically every extra inch in these fancy new buildings — be it in storage units in the basement or in staff quarters on a separate floor — is being sold à la carte for extraordinary sums.

Wire-mesh storage cages in the basement of 18 Gramercy Park, where a \$42 million duplex penthouse closed last year, are going for \$75,000, or \$2,143 per square foot, for a 35-square-foot space. Private wine cellars range from \$98,500 for 900 bottles to \$215,000 for 1,700 bottles at 135 East 79th Street, an Upper East Side prewar revival where an apartment recently went into contract for \$26.5 million. Twenty-five staff suites, commonly referred to as “maid’s rooms,” are selling for between \$1.53 and \$2.875 million at 432 Park Avenue, where a penthouse is in contract for \$95 million. And then there are the underground parking spots at 42 Crosby Street in SoHo with price tags of \$1 million apiece.

After all, this is Manhattan, where personal space — be it a place to park your Porsche, a spare room for your visiting in-laws or a spot to store your growing handbag collection — is the rarest of commodities.

“It’s basic Economics 101,” said Izak Senbahar, the president of the Alexico Group, a co-developer of 56 Leonard, a 145-unit TriBeCa tower where nearly all of the 28 parking spots are in contract for \$500,000 each and storage is selling for between \$72,000 for a 36-square-foot space and \$300,000 for a combination storage unit measuring 211 square feet. “These are valuable amenities, and demand is surpassing supply.”

Consider for a moment that start-ups like MakeSpace charge roughly \$220 a month for 36 square feet of space at an offsite warehouse. And that they will pick up those golf clubs, the summer wardrobe and other off-season belongings from your apartment. Besides, there are plenty of other storage places that will gladly house the bulky items that won’t fit in your closet. But if you are buying a multimillion-dollar pad in a top luxury condo you are likely to choose one of two options: You can buy a larger apartment, said Mr. Senbahar, “or you’re going to go down to the cellar and get equal space in a private storage room at half the price.” Joking, he added, “I personally would rather do the latter to store my fur coat for the summer.” Some space, he said, “doesn’t need views.”

Space with no views at the Sterling Mason, a 33-unit condominium at 71 Laight Street in TriBeCa with 24 such areas, costs between \$30,000 for a 28-square-foot storage unit (or \$1,071 a square foot) to \$55,000 for 94 square feet (\$585 a square foot). The building’s 12 parking spots — nine of which are now spoken for — cost \$275,000 apiece. Uptown at 520 Park Avenue, a 54-story luxury condo tower being built by Zeckendorf Development and its partners Park Sixty and Global Holdings, which recently made headlines for a penthouse triplex priced at \$130 million, there are plans for 15 storage units ranging from \$55,000 to \$95,000 for the 31 apartments. Ten wine cellars will be offered for \$125,000 to \$275,000.

“Storage is no longer an afterthought,” said Elizabeth Unger, a senior sales director at the Corcoran Sunshine Marketing Group, which is marketing 56 Leonard and several other uber-luxury condos. “It’s as thought-out as designing a lobby.” And with many owners requesting storage space, parking spots and other extras, she added, “it’s also an income producer.”

Buyers at 56 Leonard who pay \$72,000 for a storage cage will not actually own it, however. As in many new buildings with subterranean space, they are buying long-term licenses for their storage units and parking spots, entitling them to use the space as long as they are residents of the building and requiring that it be sold in the event of a move. In addition to the license fee for the storage area, there is a \$19-per-month charge that goes toward utilities and payroll for cleaning and maintenance.

Not all that long ago, a visit to a storage bin in a stately co-op building might have involved negotiating a labyrinth with a flashlight and tripping over someone else’s chair. While today’s storage areas may be more organized, they are not much of an upgrade, mostly consisting of wire-mesh cages that come with electricity. Maid’s rooms are essentially glorified studio apartments. And parking spots are, well, parking spots.

But in today’s market, where land prices remain high, developers are compelled to find creative ways to justify the cost of a building. “You buy a site for top dollar and you have one chance to make your return,” said Jonathan J. Miller, the president of the appraisal firm Miller Samuel. One way to maximize the return, he said, is to “leverage all the assets you have that can be made into amenities that people want.” In other words, he said, “sell everything that’s not tied down.”

And in Manhattan, where luxury condominiums have been commanding stratospheric sums, the add-ons are priced in relation to the apartments alongside which they are being sold. “These amenities are essentially proportional in value to the building they’re located in,” said Mr. Miller. With the starting price of \$72,000 for the 36-square-foot storage unit at 56 Leonard, for example, the price per square foot

comes to \$2,000. “That kind of makes sense,” Mr. Miller said, when you consider the apartments there have been selling for as much as \$4,000 a square foot.

Besides, he added, “What’s \$72,000 on a \$50 million sale? It’s a rounding error.”



*Private wine cellars range from \$98,500 for 900 bottles to \$215,000 for 1,700 bottles at 135 East 79th Street, a 30-unit Upper East Side apartment building completed earlier this year. Silver travertine stone slab floors line the corridor leading to the wine cellars. Credit: Danny Ghitis for The New York Times*

And it isn’t just new condos that are getting high prices for amenities. Brokers say the costs of storage and other add-ons have also been going up with high-end co-op resales, although the trend is harder to pinpoint since extras are often wrapped into the overall sales price when these apartments change hands.

“The days of picking up these extra spaces at prices that could be justified easily are over,” said Kathryn Steinberg, an associate broker at the Edward Lee Cave division of Brown Harris Stevens. Paying \$250,000 or more for a staff room in a stately Fifth Avenue or Park Avenue co-op “would not be unusual,” she said, noting that buyers use them for everything from guest rooms to “man caves” to personal gyms. “They’ve become, in a way, another luxury toy.”

Resales of condo extras have also been going up. Last September, a staff unit on the seventh floor of 15 Central Park West sold for \$4 million, up from \$1.8 million in 2011 and slightly above \$1 million in 2008. In 2011, two ground-floor units in the building, designed as detached home offices, sold for a combined \$3.56 million. Earlier this year, the same combination unit was sold again, this time for \$7.15 million.

In new condominiums, developers often put the expensive condo accessories up for sale slowly, raising prices as more are sold. “They increase in value as we run out of them,” said Melissa Ziweslin, a managing director at Corcoran Sunshine. Sometimes these extra spaces are offered only to buyers of the largest, most expensive apartments, she added. “They’re really deepening their investment in a building they really believe in.”

At 432 Park Avenue, demand was so high for staff suites, which are essentially studios located on the 28th and 29th floors, that the developers, CIM Group and Macklowe Properties, are considering adding more to the building, which recently topped out as the tallest condo in the city. At 30 Park Place, Four Seasons Private Residences New York Downtown, so-called “accessory suites” (better known as “maid’s rooms”) start at \$1.2 million. There are 11 in all for the 157-unit building. Seven staff units planned for 520 Park Avenue will be called “guest suites” and will be offered for \$1.45 million to \$1.57 million.

One of the few new buildings to offer enough extras, at least in parking, for every apartment is 50 United Nations Plaza, an 88-unit condo designed by Foster and Partners for Zeckendorf Development with Global Holdings. Parking licenses cost \$150,000 apiece, plus a monthly fee of \$295. The building is also offering 17 wine storage units starting at \$50,000 for 24 square feet and 50 storage units starting at \$45,000 for 50 square feet.

Not every luxury condo is selling these extra spaces separately. At Alchemy Properties’ 35XV at 35 West 15th Street, for example, where available apartments are priced from \$3.95 million to \$12.65 million, each of the building’s 54 residences comes with a wine cabinet that can accommodate 69 to 300 bottles, depending on the size of the apartment purchased.

Brokers encourage clients to buy extras when they have the chance, even if they don’t expect to use them.

“If they don’t buy storage or a maid’s room at the beginning they may lose the opportunity,” said Melanie Lazenby, a top associate broker at Douglas Elliman. “It may be 10 years before another will come on the market.”

On the other hand, she said, “if you are one of the few people holding one of these coveted extra parts of the building, it’s kind of buying yourself an option. If you find you don’t use it, you can resell it or rent it out even before you move.” And when it comes time to sell, she added, “it makes your apartment more attractive if you are going up against another apartment without one. It can sweeten the deal.”