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\$1 Million Parking Spot Highlights the Insanity of New York Real Estate



The \$1 million parking spot in New York City

If you're shopping for a luxury condominium in New York City, chances are having a designated parking spot is more important than a building with a gym, or even a view. Hell, you'd probably ditch the doorman, too.

The problem is that parking seldom comes free. Buyers need to budget extra to snatch one of the building's limited spaces.

Those moving into a new luxury development in SoHo, however, will need to do more than set aside some spare change. Parking at 42 Crosby Street is being offered at a staggering \$1 million per spot. Or the equivalent of three 5,000 sq.-ft. mansions in Indianapolis.

The new development, designed by Annabelle Selldorf, will feature ten luxury apartments; nine priced between \$8.70 million and \$10.45 million, with the penthouse set at \$25 million, according to the *New York Times*. Each of the ten parking spots will be 200 sq.-ft., and provide a small storage area and a charging station for the inevitable Tesla.

Despite shelling out the equivalent of four Ferrari 458 Italias on parking, or more than the \$920,000 median sales price for an actual Manhattan apartment, the buyers won't own the underground space. They'll receive a 99-year license, and be forced to sell that license if they ever decide to move.

Extravagant NYC apartments commonly arrive with pricey parking, but when you're paying \$50 million for a home, an extra \$500,000 is almost irrelevant. At \$8.70 million, however, the additional \$1 million for

parking at 42 Crosby Street does seem excessively steep, making the thought of walking a block or two that much more appealing.

But as any real estate agent in NYC will tell you, parking is currently the city's most sought-after amenity; a concept that seems baffling to those of us outside city walls. And this isn't the first million dollar parking spot to arrive on the market, and they had no trouble finding willing customers. With more cars than parking spaces, developers can, and do, charge a premium. Meaning buyers will only be too happy to hand over that extra mill.