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## parking prices rise

HOMEOWNERS PAY BIG DOLLARS **BY JANE ADLER**

PARKING SPOTS ARE TAKING the high road—at least in terms of price.

Homeowners can pay as much for a spot as they do for the BMW M5 to park in it—about \$70,000. And despite proposed zoning regulations that may increase the number of parking spots required in some buildings, experts say demand will continue to outstrip supply.

“Parking prices continue to climb,” says James M. Kinney, president at residential brokerage firm Rubloff Inc., Chicago. “If a spot is well priced, it gets snapped up.”

Parking prices have generally risen faster than housing prices, real estate experts say. In some buildings, the price of a parking spot has increased as much as 60 percent in the last three years.

Recent sales of parking spots range

from \$13,000 (Lincoln Park) to \$100,000 (double spot, Lake Point Tower), according to Mr. Kinney, who gets prices from the Multiple Listing Service of Northern Illinois. The most expensive parking spot currently listed for sale is at 680 N. Lake Shore Dr. for \$70,000. By comparison, spots in land-challenged cities such as Boston and San Francisco cost as much as \$100,000.

While parking spaces can be rented, most city dwellers prefer to purchase deeded spots.

The other common purchase arrangement is called a right to park. Prices are the same as deeded spots, but the spot comes with the condominium unit.

Most parking spots, even deeded ones, sell with a condo unit, though. Few are traded alone. Only about 50 separate spaces are for sale right now in the Near North area. “People don’t want to sell parking separately,” notes Mr. Kinney. “They don’t want to be left owning a condo without a parking space” because the condo would be hard to resell.

Developers often include deeded parking in the price of a new condo or townhouse. A parking spot adds anywhere from \$15,000 to as much as \$55,000 to the price of a condo, developers say. A spot’s price depends on the location of the condo, of course. The quality of the spot itself matters too. Indoor spots cost more than outdoor ones. Spots near elevators sell at a premium.

Chicago developer Enterprise Cos. sells parking separate from condo units. “We have not found parking to

be a profit center,” says Ron Shipka Sr., principal at Enterprise. But, he adds, some developers are raising the price of parking and lowering the price of the condo unit. The lower unit price helps attract buyers in today’s competitive market, but the developer makes up the difference on higher parking prices.

Other developers throw in parking as an incentive to lure buyers. At River Park North, a new development at 2711 W. Irving Park Rd., townhomes with a one-car garage also include an outdoor parking space. Homes with a two-car garage have two additional outdoor parking spaces.



FIELD HARBOR GARAGE SITS BELOW 400 E. RANDOLPH ST.

Cheryl Dudeck and her husband, Terry Nicola, will soon close a \$100,000 deal on four parking spots at 165 Field Harbor Dr., a parking garage below the condo building at 400 E. Randolph St. The couple already has a parking spot in the nearby building in which they live. But they wanted one of the new spots for visitors. They plan to rent the other three spots and hold them as an investment to sell after they appreciate in value.

“Parking is a huge commodity,” says Ms. Dudeck, a high school biology teacher. “We think this is a good investment.”

About 80 of the 400 parking places at the Field Harbor garage have been sold, according to John Kretchmar, agent for the spots and broker/owner of Re/Max Alliance, Chicago. Prices for spots range from \$24,500 to \$27,500.

The spots aren’t tied to any particular condo building. Instead, the garage represents one of only a few Chicago structures devoted only to deeded parking spots. “Other cities have stand-alone parking condos,” notes Mr. Kretchmar. “We’ll start seeing more of that here.”