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SPREAD SHEET

The 'Starchitect' Effect on Condo Prices

WHEN SELLING New York real estate, behind location, location is architect, architect, architect.

Residences in buildings designed by big-name architects tend to sell for more than similar units in buildings designed by lesser-known architects, according to an analysis of sales over the past two years by New York-based appraiser Jonathan Miller.

"There is a premium for the 'starchitect' name," Mr. Miller says. "Many people want to be associated with something that is beautiful and buzz-worthy."

Topping the list is 15 Central Park West, designed by Robert A.M. Stern. While it's a relatively new building, completed in 2007, it features a classic, prewar architectural style. Mr. Miller compared two-bedroom or larger residences there with

similar residences at the Plaza, an iconic building located on Central Park South and designed by Henry J. Hardenbergh and Thomas Hastings. The upshot: Homeowners pay almost 60% more for a home in the Stern-designed building.

Next is architect Richard Meier's 1 Grand Army Plaza on Prospect Park in Brooklyn. It has a sale-price premium of 25.9% over condos at nearby

Oro, a high-rise at 306 Gold St. And buyers will pay 23.2% more to live at architect Frank Gehry's 8 Spruce St. in Lower Manhattan than at similar residences at the nearby Liberty Plaza, at 10 Liberty St.

When making the comparisons, Mr. Miller factored in the location, types of views, breadth of amenities and size and scale of the buildings. Still, starchitect buildings don't necessarily

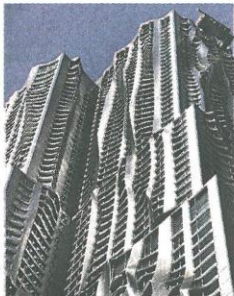
have more amenities or a better location to claim their premium, Mr. Miller adds. "The starchitecture movement is seeking something that hasn't been done before. It's the design; it's that it's different; and that is the premium associated with it," Mr. Miller says.

What's more, the premium has only gone up over the past decade. "During the housing boom, every building seemed

like it was built by a starchitect," he says. When new developments dipped, starchitect buildings became rarer and more coveted, upping the premium price. Like other trends, the premium will likely ebb and flow over time. New luxury buildings, like the One57 tower on West 57th Street, could spur another wave of design-worthy names, Mr. Miller says.

—Sanette Tanaka

DESIGN PREMIUM The difference in price, per square foot, between a residential building designed by a star architect and a comparable one designed by a lesser-known architect.



FRANK GEHRY

◀ 8 Spruce St.
\$4,800 per sq. foot

Compared with: 10 Liberty St.
\$3,895

Difference:
23.2%

Median rental price



RICHARD MEIER

◀ 1 Grand Army Plaza
\$914 per sq. foot

Compared with: 306 Gold St.
\$726

Difference:
25.9%

Median sale price
Source: Miller Samuel Real Estate Appraisers & Consultants



ROBERT A.M. STERN

◀ 15 Central Park West*
\$6,478 per sq. foot

Compared with: 768 Fifth Ave.*
\$4,095

Difference:
58.2%

Median Sale Price
*Above tree line, two bedrooms or larger