

THE WALL STREET JOURNAL.

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For Ceilings, What a Difference a Foot Makes

Buyers of luxury condos will pay a premium for ceilings that are even just a foot higher than the standard, but tall rooms pose challenges

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Aug. 11, 2016 10:11 a.m. ET

In a crowded luxury-condo market, developers are betting there's at least one way to rise above the competition—add a few extra inches.

The end of the standard 8-foot-high ceiling may be near, as builders tout ceiling heights of 11, 12 and even 20 feet. And buyers are paying a premium for the extra head space.

In San Francisco, one of the most expensive condos in the city, a \$15 million penthouse under construction in the Lumina, will have up to 18-foot ceilings. In Boston, a 13,000-square-foot penthouse with up to 14-foot ceilings at Millennium Tower is under contract for north of \$30 million, [setting a record for the city](#). In Miami, a 6,644-square-foot penthouse with 18-foot ceilings that sold this year for \$21.5 million broke the record for price per square foot on Fisher Island.

“It flies in the face of typical economics,” says Peter Zalewski of CraneSpotters, a Miami-based condo-project tracker. Usually the price per square foot drops as units get larger, but the opposite is true of some Miami projects, he says, “in part because these developers are thinking in cubic feet,” and ascribing value to more volume.

Some buyers are making the same calculation. Eric Rogen, a 38-year-old hair colorist at Oscar Blandi salon, is under contract with his husband to buy a four-bedroom, roughly 2,700-square-foot apartment in 111 Murray, a 64-story tower in downtown Manhattan set to be completed in 2018. The apartment, listed for \$8.775 million, will have 11-foot-high ceilings.

“I can sense the difference from nine to 11 feet,” says Mr. Rogen, who searched for three years before finding an apartment with the lofty feel and amenities he wanted in Tribeca. He says he was willing to pay a premium for the higher ceilings and floor-to-ceiling views of the Hudson River.

Listing website Realtor.com found that raising ceiling height to 10 or 11 feet from the standard 8-to-9-foot range, correlated to an average 50% jump in average listing price per square foot, from \$1,036 to \$1,550. The premium was highest for ceilings between 12 and 15 feet, an average 76% higher than units with standard heights. The tallest ceilings, anything higher than 15 feet, saw the smallest premium—28% higher than standard ceilings.

The analysis looked at more than 2,300 condos priced at \$750,000 or more in New York, Illinois, Southern California, Massachusetts and South Florida in July. About 40% of the listings were in Manhattan. ([News Corp.](#), which owns The Wall Street Journal, also owns Realtor.com, the listing website of the National Association of Realtors.)

While ceilings are rising throughout new luxury towers, the tallest ceilings are typically found in the highest, most expensive apartments, says Michael Hobbs, the owner of PahRoo Appraisal & Consultancy in Chicago. Since zoning rules can limit unit density, he says developers try to [eke out more value from top-floor units](#) with better views and more prestige. Every additional foot can cost a builder 5% to 10% more, experts say, but the panache factor often offsets the added cost.

High ceilings are often found in apartments that offer other luxury amenities, such as tall windows and concierge service, which bolster their value, says New York appraiser Jonathan Miller—but not in every case. “The smaller the apartment, the [smaller] the impact of tall ceilings,” he said, noting that too-tall ceilings can make some apartments feel claustrophobic.

In the Realtor.com analysis, New York City condos saw the biggest premium above 12 feet but below 15 feet, where the average price was \$3,700 a square foot, or 150% higher than the standard ceiling. This is in part because condos with 12-foot ceilings tend to be in newer, amenity-rich towers, said Javier Vivas, the site’s manager of economic research, while buildings with far taller ceilings are often found in prewar condo conversions with fewer bells and whistles.

In downtown Manhattan, interior decorator Laura Bohn, 76, and her husband, developer Richard Fiore, 77, bought a 1907 Beaux-Arts bank in New York’s West Village for \$2 million in the late 1990s to convert it into 11 lofty apartments with ceilings up to 18 feet in the penthouse. They claimed the penthouse for themselves and managed to sell all but one unit—a second-floor apartment with 15-foot ceilings but poor interior lighting, Ms. Bohn said.

“Nobody was even remotely interested in it,” said Ms. Bohn, who decided to sell their penthouse and move into the unoccupied space in 2004.

As the developers, they were able to reconfigure the 2,700-square-foot apartment to dramatic effect: they cut out massive slabs of concrete, including walls and roofing from an adjacent building they own, to create two separate outdoor gardens that fill the space with natural light. The 15-foot-tall living room has a floor-to-ceiling glass wall with a custom 12-foot door that leads to an outdoor patio with a Japanese maple tree and ornamental plantings. “It just feels amazing,” she said about the home’s volume.

Designing the space brought its own challenges. “You can’t put an IKEA sofa in there,” Ms. Bohn said, adding that their custom 10-foot sofa and a 13-foot-wide painting by Spanish artist Antonio Murado give the room scale.

The master bathroom, where they dropped the ceiling from 15 to 12 feet, feels “tall enough,” she said, and gets ample light. The space has an industrial “soft modern” feel, she says, with polished concrete floors and exposed ceiling beams.

The remodeled apartment was listed for \$4.5 million in January with Marsi Gardiner of Brown Harris Stevens; it was relisted in June for \$4.3 million.

Ms. Bohn says her next home probably won’t be in a glassy new tower—“they’re boring,” she said. Instead, they are selling to undertake another renovation, possibly a 15th-century château in France’s Loire Valley.

There is one factor that sets apart most condos with tall ceilings: rarity. On San Francisco’s Telegraph Hill, overlooking Alcatraz Island and the bay, Martin Brotman has listed his 5,600-square-foot, quadruplex apartment with up to 18-foot ceilings for \$7.495 million.

Restrictive height limitations in the city often pressure builders to build no higher than 9-foot ceilings, to maximize unit density, says Carrie Goodman, the listing agent with Sotheby’s International Realty. With a base height of 11 feet, she says the apartment, built in 1986, still edges out most new construction.

“I was looking for space; my wife was looking for views,” said Dr. Brotman, 77, a retired gastroenterologist who bought the four-level condo for \$1.05 million in 1995.

Dr. Brotman says they are selling the property to move to the suburbs and a quieter life, now that their children are grown. There is one thing he won’t miss about the home, he said: “Finding a way to change the lightbulb in the 18-foot entryway.”