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## Some Manhattan Home Listings Inflate Square Footage

*Space for many townhouses often includes basements and other areas that aren't typically included*

By Josh Barbanel



As prices soared over the past decade, Manhattan townhouses also have swelled in size—at least according to broker listings.

Real-estate brokers in Manhattan are providing more-generous estimates of the square footage of houses in their listings than they have in the past, according to two recent studies of listing data.

The crux of the problem: While mortgage underwriters and appraisers follow a standard methodology in calculating square footage—routinely excluding basements and cellars—brokers aren't required to follow the same rules.

Brokers do have an obligation to provide accurate information, but many say by hiring floor-plan artists or providing details about their methods in the text, they have met their obligations.

Leon Cameron, director of legal services at the Hudson Gateway Multiple Listing Service Inc., a Realtor group, said there was “[no statutory definition](#) or even case law on the proper way to determine square footage.”

To avoid accusations of misrepresentation, brokers should have a “good faith substantiation” of the figures they use, typically through tax records, an independent appraisal or architectural plans, Mr. Cameron said.

The listing service, which includes listings from Manhattan as well as counties to the north, recently issued a notice saying listing agents “are strongly cautioned to fact-check all of their listing information including, but not limited to, square footage and tax data.”

Many Manhattan townhouse listings include basements that have been finished with wine cellars, gyms and recreation rooms and are used by owners even if they don't qualify as living space under city building rules. Some include basements that could, in theory, eventually be converted.

A redbrick 1847 Greek revival townhouse at 73 Washington Pl., a few doors down from Washington Square Park, is listed at 8,643 square feet. The property is listed online with a floor plan showing a huge underground level with a gym, sauna, soaking tub, wine vault and 19-foot-wide theater.

But much of that square footage doesn't exist. Space for the underground theater hasn't been excavated. A recent city filing put the house at less than 6,000 square feet.



The listing said the property is delivered vacant with a full set of Landmarks Commission-approved architectural and design plans to renovate and expand the house.

“These figures are not anything pulled out of my thumb,” said Leonard Steinberg, president of brokerage Compass, which has the listing along with Leslie J. Garfield & Co. “These are actual figures that come out of the architect.”

“The finished townhouse will consist of 8,643 interior square feet and 1,655 exterior square feet throughout the rear garden, roof decks and terraces,” the listing said. “A professional-grade elevator connects all 7 levels, including the roof penthouse.” Public records say the house is 3½ stories.

Brokers are under pressure after Manhattan median townhouse prices rose 59% over a decade before falling by 5.3% in 2016, according a report for Douglas Elliman Real Estate prepared by Jonathan Miller, an appraiser and president of Miller Samuel Inc.

A higher listed square footage can add to the appeal of a property. At the same time, it lowers the calculated price per foot, when buyers compare the price of one property to another.

A review of townhouse listings by StreetEasy.com found numerous inconsistencies in multiple listings of the same properties. When the same Manhattan property was listed more than once over the past decade, the square footage of 55% of the buildings changed between listings. The data, prepared at the request of The Wall Street Journal, were screened to remove, where possible, houses known to have been substantially altered or enlarged between listings.

Of all listing pairs with different square-footage figures, the square footage rose 58% of the time, with these larger listings increasing the square footage by an average of 987 square feet, or 17%.

One 18-foot-wide West Side brownstone at 37 West 94th St. was listed for sale four times since December 2009, each with a different square-footage figure, even though each listing included nearly identical floor plans.

The listing square footage ranged from 4,377 square feet to a current listing at 5,221 square feet. The current listing for \$7 million includes a basement with several areas labeled “recreation” on a floor plan.

The listing said: “37 West 94th Street is 18 ft wide plus extension, has a finished cellar and provides 5,221 square feet for your spacious comfort and privacy.”

A listing by another broker in January said: “With over 4,800 square feet of living space, including the basement, 37 West 94th is the perfect mix of old world charm with modern amenities.”

Ariel Sassoon, a broker at Douglas Elliman who is sharing the listing with a second Elliman broker, declined to comment on it.

Donna Olshan, a Manhattan broker, said she noticed square-footage discrepancies when she listed a townhouse during a recent market slowdown. She noticed that other seemingly identical townhouses nearby, with similar widths and heights, were listed as having 20% more square footage, and thus a lower price per square foot.

Earlier this year, she compiled a list of all 162 Manhattan townhouses then on the market for \$6 million or more and compared each listing with city property records: She found that 120, or 74%, were listed for more than the official square footage.

In addition, she noted 32, or 21%, had listing square footage in excess of the maximum allowed development rights for a building site. The city’s development rights typically don’t count below-grade space such as basements and cellars.

Some brokers hire floor-plan measurers to draw plans and calculate square footage, and most say they do their best to disclose how square footage was calculated and explain whether or not they include the basement.

Raphael De Niro, a broker at Douglas Elliman Real Estate, said the lack of a standard creates problems in the marketplace. “It makes things difficult for buyers to get a handle on what they are buying,” he said.

Dexter Guerrieri, president of brokerage Vandenberg Inc., said he has a consistent approach, relying on a professional measurer and including what is often called the “garden level” in townhouses even if it is half a level below grade. He excludes basements.

Sometimes, Mr. Guerrieri said, he makes an exception when sellers insist on including the cellar, but he carefully documents the change.

“Some sellers are so proud of the work they did and the hundreds of thousands of dollars they spent on the cellar,” he said. But after a sale, when he calculates price-per-square-foot statistics, Mr. Guerrieri said he is careful to exclude the cellar from the computation to make statistics comparable.