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Garage apartments popular in inner-Loop areas

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For Heights newcomer Sue McFarland, a garage apartment built as part of her new home was a must-have.

"We thought it would be kind of fun to have one," says McFarland, whose family recently moved from the Memorial area. "Plus, in the Heights, in terms of resale value, it really makes sense to have a garage apartment.

"The land is so valuable that you want to make use of everything," she adds.

Indeed, the McFarlands have joined the growing number of homeowners choosing to build garage apartments as part of their primary residence.

Particularly inside the Loop, they are increasingly popular and preferred by buyers, says Realtor Bill Baldwin, who specializes in home sales in the Heights.

"On my sales of new construction, we have unfinished garage apartments built on a minimum of 75 percent of them," he notes. Buyers tend to finish them out about 50 percent of the time while they're under construction and the others tend to wait until post-construction.

The trend is growing, agrees garage and garage apartment builder Mike Shelton of Harvard Heights Construction.

"Every new house in the Heights has a garage apartment," says Shelton. "A lot of people find that when trying to sell a home, one without a garage apartment is almost not comparable -- and that has become even more true in the last year or so."

The Heights is in particular known for homes with garage apartments, but the trend is growing in neighborhoods such as Montrose and West University, where they are more commonly used as a residence for nannies or caregivers.

Although most of his business is in the Heights, Shelton says he's been getting more calls from homeowners in Montrose, Midtown and the Museum District of late.

And, contrary to popular belief, most garage apartments are not created for rental purposes.

"They are more extensions of the home today," Baldwin says. "Less than 20 percent of new builds are rented out."

Widespread uses include a home office, hobby room, workout room, or quarters for older relatives or children who are home from college for a break.

McFarland, for one, says their 500-square-foot apartment will be there if their college-age children might need a place to stay during the summer. The space includes a storage closet, a kitchenette, bed, television and a small den area. The family also will likely use it for leisure time and out-of-town guests --but never as a rental property.

Some restrictions apply

The McFarlands happen to live in an area of the Heights where they could rent out the property if they wanted to. The Houston Heights and Woodland Heights, for example, don't have any restrictions against garage apartments.

Some neighborhoods, such as the Nor Hill subdivision in the Heights, have deed restrictions against the apartments, so not every homeowner even has the option.

Traffic is usually the primary reason. In most cases there isn't room for a third parking spot, Baldwin notes.

"We recently had a sale that didn't go through for an investor because the subdivision was deed restricted against it," says Baldwin. "The investor wanted to buy the property and wanted rental income from both until they built their home.

"But once they knew they couldn't rent out the apartment, they terminated the contract," he says.

In areas like West University, Baldwin adds, the restrictions are more in regard to height and easements.

"It's a more restrictive building environment," he says.

Some areas have other restrictions, such as that the apartment can be no larger than 900 square feet, notes Harvard Heights' Shelton.

For the most part, apartments average between 500 and 700 square feet. Shelton says he charges anywhere from \$55,000 to \$75,000 to build a two-story garage with an apartment.

Not just trendy

In building garage apartments, Shelton says he's noticed a few trends popping up.

More people want them to be one-story, with the apartment in the back of the garage.

"More and more people are having their parents live with them," he notes. He also says he recently built his first one with an elevator for a family that had to make the garage and apartment two-story due to space constraints.

When it comes to design, Shelton says he mostly tries to match the house. In fact, in some historic areas, the city will inspect apartments and a house to make sure they are complementary.

"We had one in particular that looked like a mini-version of the house," he notes. "Basically, we make sure it's not overbearing."

He also urges his clients not to burn their bridges for resale.

As such, Shelton says most of his clients are going with a loft-style, which is a wide open area with nine-foot ceilings, a bathroom and small kitchen.

The studio-style, he notes, is more versatile than having two small rooms.

Chas Daniels, Houston-based Kiva Kitchen & Bath sales manager, says Kiva carries many appliances designed for small spaces such as garage apartments.

Options include an under-the-counter refrigerator that is about 15 to 24 inches wide, a 15-inch electric cooktop, steamer ovens and dishwasher sinks.

"Most people do showers rather than a bath," she says, which saves space in the bathroom.

Despite their recent surge in popularity, Baldwin emphasizes that garage apartments are not a new fad, having been very popular 60 to 100 years ago.

Meanwhile, Shelton describes them as "a trend that's fixing to go nuts."