

Does a co-op or condo smoking ban boost the value of your apartment?



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Smoking is on the decline in New York City, nudged along by more health-conscious lifestyles and legislation that makes it more expensive and harder to find public places where you can do it.

For apartment buildings, an increasing number of buildings prohibit any and all smoking—even in the privacy of one’s own apartment. Aside from pleasing or infuriating residents, depending on how you feel about smoking, what’s been the bottom line of residential smoking bans? Does the value of your co-op or condo increase if your building bans smoking everywhere?

Brick talked to a half-dozen brokers to get an answer and anecdotally, many think that smoking bans help apartments sell faster. And not having a smoking ban can do more than just damage to your lungs—there are stories of seemingly slam-dunk deals being scuttled by the presence of smoke, and also of owners selling at a loss in order to move into a smoke-free building.

Data released by the NYC Department of Health last year shows that 13 percent of New York City adults were smokers in 2016, down nearly 2.5 percentage points from 2012. In New York City in particular, that decline has been driven partly by a comprehensive effort to curb tobacco use, which includes bills signed by Mayor de Blasio that raise minimum prices for cigarettes, increase the fee for cigarette retail licenses, and **require all residential buildings to develop a smoking policy**, among other things.

The effort goes back even further than the current administration. The landmark **2002 Smoke-Free Air Act** outlawed smoking and e-cigarette usage in common indoor areas of building, forever changing nightlife for New Yorkers. Suddenly, smoke-filled bars were a thing of the past.

When it comes to apartment buildings, a **2012 poll of New York City voters** found that nearly 60 percent prefer to live in a place that prohibits smoking. (If you're a renter, you may be interested to know that half the respondents to a 2005 survey of renters said they would be willing to pay more to live in a smoke-free building.)

"It's harder to sell an apartment right now if there's smoking," says Chris Palminteri, broker at the **Simple Real Estate Co.** "I'm selling an apartment where the neighbor smokes; as soon as you get off the elevator, it reeks. Immediately, the buyer is thinking, 'This is what I'm going to come home to.' Our fear as brokers is they leave the apartment and forget how amazing the kitchen is."

(Side note: For smokers who live in a co-op that enacts a smoking ban, there are **few options but to comply**. Smokers are not a legally recognized protected class, and thus smoking bans are not discriminatory.)

Palminteri expects more co-ops to institute smoking bans, which can help to prevent fires and other maintenance issues, and improves aesthetics—no more yellowing walls or scorch marks on the upholstery. Palminteri says he “has sold apartments of smokers where initially, you have to totally revamp the entire apartment, because you can’t put it on the market as is.”

There are instances when a building’s smoking ban could negatively affect values. After all, 13 percent of New Yorkers still smoke, and they’re a disproportionately older slice of the population, with more purchasing power. Buying the freedom to smoke at home is one good reason to purchase an apartment. It’s a quality-of-life decision in either direction.

Joshua Arcus, broker and president of the **Siderow Organization**, says that it’s not easy for a co-op to ban smoking, and when it does, it reflects the will of the majority, since “the consent needed for something like this to pass is extremely hard to get (usually two-thirds or three-fourths approval).

“I don’t know that someone would value an apartment higher because they were told a building has a no-smoking policy, but I think someone would devalue a property if they were in the building or hallways and smelled smoke. Most buyers we work with are totally turned off when they smell something like that in the hallways or building,” he says.

That dovetails with the pervading wisdom: Most people prefer a non-smoking policy, but quantifying the value of it is difficult. The trends are clear, however. The state’s

Department of Health Public Health and Tobacco Policy Center put together a “[New York Guide to Smoke-Free Cooperatives](#)” which has been periodically updated since 2012.

“As smoking rates decrease and awareness of the dangers of secondhand smoke exposure increases, demand for smoke-free housing will likely continue to rise,” the study’s authors write. “This increased demand will benefit owners of cooperatives with smoke-free policies already in place.”

Melissa Leifer, an agent at Keller Williams in Tribeca, says potential buyers often ask about whether a building permits smoking, and her own building is considering instituting a ban. However, she finds the impact of a smoking ban to be inclusive when it comes to apartment selling prices.

“There’s not a lot of data out there, and there’s not a crazy difference in prices,” she says. “Nobody’s value has gone down, certainly, when a smoking ban has been instituted, but I’m not seeing a premium being paid for non-smoking co-ops.”

One reason that it’s inconclusive is because the conditions of apartments vary greatly. “When I was doing the numbers on this, it was hard to say for sure that this building sold for more because it was a non-smoking building, when it could have just been in better condition,” Leifer says. “There’s just not a concrete answer.”