

Up from the street

How a homeless Queens teen became a millionaire player on Wall Street — and a writer for stage and screen

By ALLI JOSEPH

Michael J. Parness lives in a \$2 million condo on the Upper West Side, but he knows what it's like to sleep on a park bench. Twenty years ago, Parness was homeless. To survive, he begged for food.

How the 37-year-old Queens native went from rags to riches, as CEO of his own financial Web site, is just the sort of legend Hollywood loves. At least, Dustin Hoffman thinks so. The Oscar-winning actor has optioned the rights to Parness' story.

Parness' extraordinary success is more than just a tale of financial gain, however. He is also a budding playwright who's had 20 of his works produced, including several one-acts at the off-Broadway Trilogy Theater, and has a current show at L.A.'s Lillian Theatre.

And he's known in Hollywood as a promising screenwriter. Parness has two film deals in the works: one with indie producer Gene Miller to shoot "Amazing Graces," his story of two 21-year-olds who fall in love in a mental institution, and the Hoffman project.

He's an incredibly talented writer who's going to be in the business for a long time," predicts Miller, who produced "The Night Larry Kramer Kissed Me."

As if all that weren't enough, Parness is writing a book for St. Martin's Press that draws on his accomplishments as an investor.

And let's not forget the New York children's charity for which he fund-raises.

These efforts include his coaxing Susan Sarandon to speak before the group's gala in November.

"I believe that everything happens for a reason, and that those bad times have made me who I am, and I kind of dig who I am," says Parness. "Living your dreams is just a matter of doing them, not waiting for someone to give you the OK."

So who is this self-made miracle — who made it through a welfare childhood in Bayside Queens and, by his own admission, failed at some 100 odd jobs, before becoming a serious media player?

Parness' beginnings could hardly have been more humble. His father, he says, abused his mother and ditched the family when Parness was 2. His mother, Carol, worked as a cleaning lady and at other jobs, then went on welfare.

She moved Michael and his brother, Rory, now 35, to a squalid basement apartment in Bayside so plagued by roaches that he once developed a rash from the bugs and had to be taken to the hospital.

"They were basically homeless," says Robin Benjamin, a friend who runs Help a Mother, Save a Child, the charity for which Parness raises money. "It was difficult for his mother, who was a teenager, to make it."

In addition to the family's misfortunes, Parness had his own challenges: He was a hyperactive child who stuttered.

Still, Parness did OK in school, and scored well on standardized tests, particularly the one for admission to prestigious Stuyvesant High School.

But although he was smart enough to get in to Stuyvesant, he didn't have the discipline to stay and dropped out his sophomore year. That was when things got bad at home.

His mother had remarried, to Bernard Parness, who legally adopted Michael when he was a boy. But the youngster's relationship with his stepfather was strained, and the two often fought.

After Parness dropped out of school, Bernard threw him out of the house. Instead of trying to patch things up, Parness took off. He was 16.

"Initially, I stayed on friends' floors," Parness says. "When that option ran out, I was really lost. I didn't know where to turn or what to do."

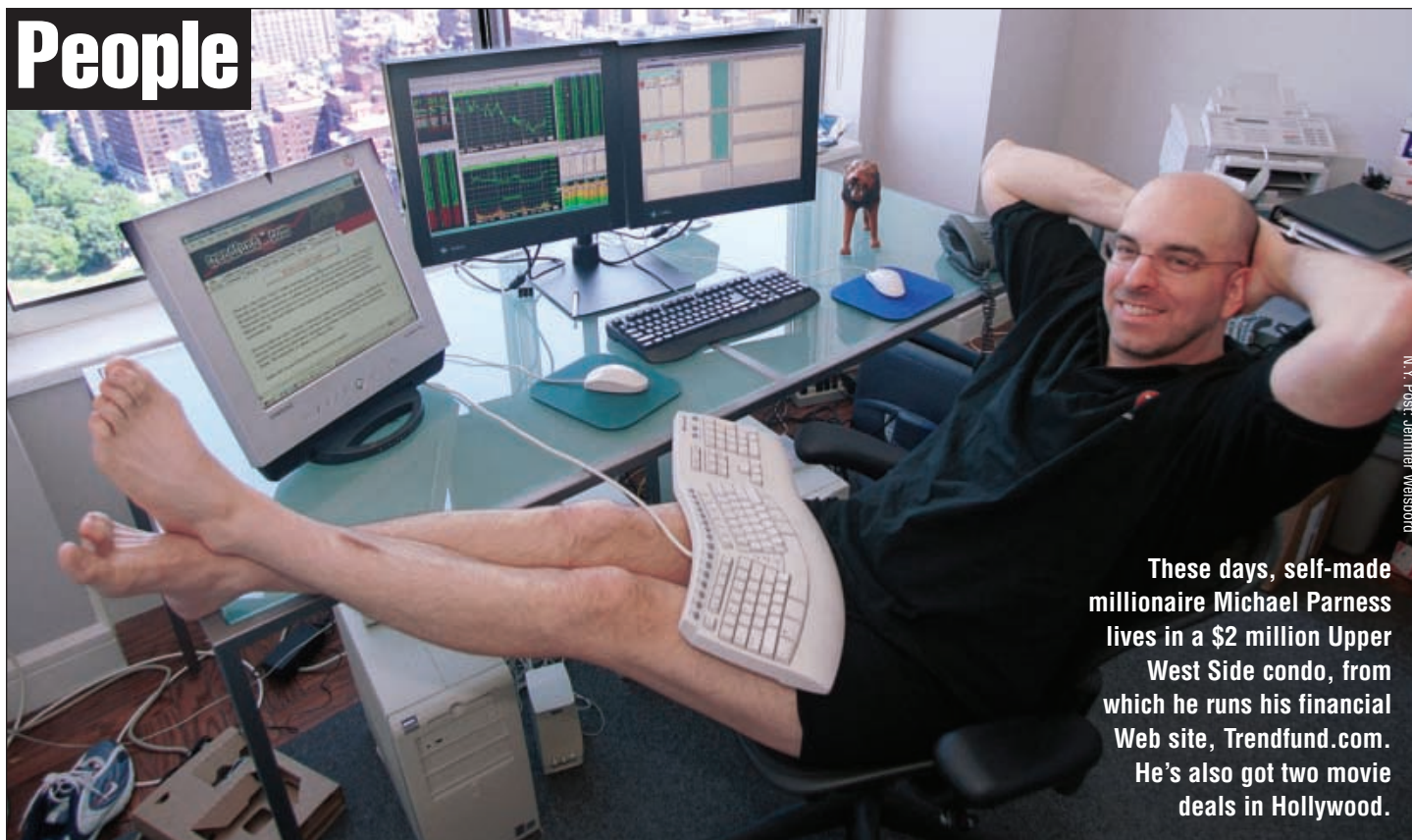
His siblings — including sister Jessica and stepsister Merri Siegel — knew of his whereabouts and told him that his parents were searching for him, but he didn't want to go back.

During the next six months, Parness slept in Prospect Park and begged for food by day. "It finally got to the point where I had no choice — I was going to die. It was getting very cold, and I wasn't 'Mr. Homeless' who knew how to deal with the winter on the street in New York."

Ultimately, Parness turned to an aunt and uncle who lived in Huntington, N.Y., and he became determined to work things out at home, which he did, and get an education.

Parness worked his way through college — he attended several — and graduated

People



N.Y. Post: Jennifer Westford

These days, self-made millionaire Michael Parness lives in a \$2 million Upper West Side condo, from which he runs his financial Web site, Trendfund.com. He's also got two movie deals in Hollywood.

summa cum laude in 1994 from Hunter College with a degree in English. He also learned the cause of his old problems with restlessness and concentration: dyslexia and ADD.

"This explained my falling asleep in class when I was a kid," says Parness.

It was one of Parness' college jobs that indirectly set him on the path to success. While bartending one day in the '80s, he read an article about baseball cards being worth a lot of money — and thought of a collection he had as a kid.

"I called my brother Rory and asked him if our mom still had all my old baseball cards in the attic. She did," Parness recalls.

After a few stumbles, the brothers started making money unloading their childhood cards in trade publications, then built a card-trading business on what they made. His net savings eventually reached more than \$150,000.

Parness wanted to invest these earnings, so he turned to a broker, who lost all but

\$33,000 of it. Parness was crushed — and furious. "Where I come from, if someone takes your money, you take it back," he says.

Resolved to never again use a broker, Parness began to follow the stock market himself. He learned, he says, partly by watching financial TV shows. He had no financial training and still has never read a book on the subject, but he waded back into the market, using what remained from his business.

He also wanted to help others, so in 1998 he posted his market forecasts on the message boards of various financial Web sites. His predictions caught the eye of investors, who inundated him with requests for advice.

Last year, he built a Web site, Trendfund.com, that teaches users how to "trend trade," or follow the market's ups and downs to their benefit. Using his own advice — as well as profits he earned by trading stocks — Parness

amassed a personal fortune of several million dollars.

Parness says money hasn't really changed him, but he's calmer now and has come to accept his past. He's also spiritual. He hiked last year along Peru's Inca Trail to the top of Machu Pichu. He's also patched things up with his stepfather, who lives in Florida.

"We can have everything we want out of life if we just open ourselves up to the possibilities," he says.

For him, the next challenge is fatherhood. Parness has a baby daughter, Joelle, who was born in the spring.

Though he's separated from the baby's mother, Lori, Parness says the two are raising the girl together. "We're trying to work things out," he says. "I love my daughter. Joelle is the only person I've loved unconditionally."

And he's keeping a positive outlook.

"I believe everything we do is a step toward life or a step toward death," Parness says. "Today, I choose life."

five questions for

Michael Parness

President, Trendfund.com

Your best investment?

Shorting the Nasdaq at 4,600.

Your worst investment?

Covering too soon. But I made 500 percent on my money last year, so I'm not too concerned about moving too early to cover my shorts.

The best tip you ignored?

I was told to start day trading sooner than I did. I only started two years ago, and before that I lost \$150,000 with a broker.

A famous investor whom you admire?

I don't admire any investor, because I think investors are suckers. I never invest; I trade.

Your words of wisdom regarding the market?

Become a trader. I believe 2001 is going to be even worse than 2000 because we're heading into a recession, and technology stocks are way overvalued. I wouldn't be an investor, because investors are going to lose money just like they did in 2000. Be a trader; it's the only way to win.