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Hotel Chains Try to Break L.A. Real Estate Records With \$50M-and-Up Condos

Hospitality companies including Aman, Rosewood and Pendry are hoping that amenities such as room service and housekeeping will sell customers on ultra-luxury units.

BY HADLEY MEARES  OCTOBER 9, 2022 10:00AM



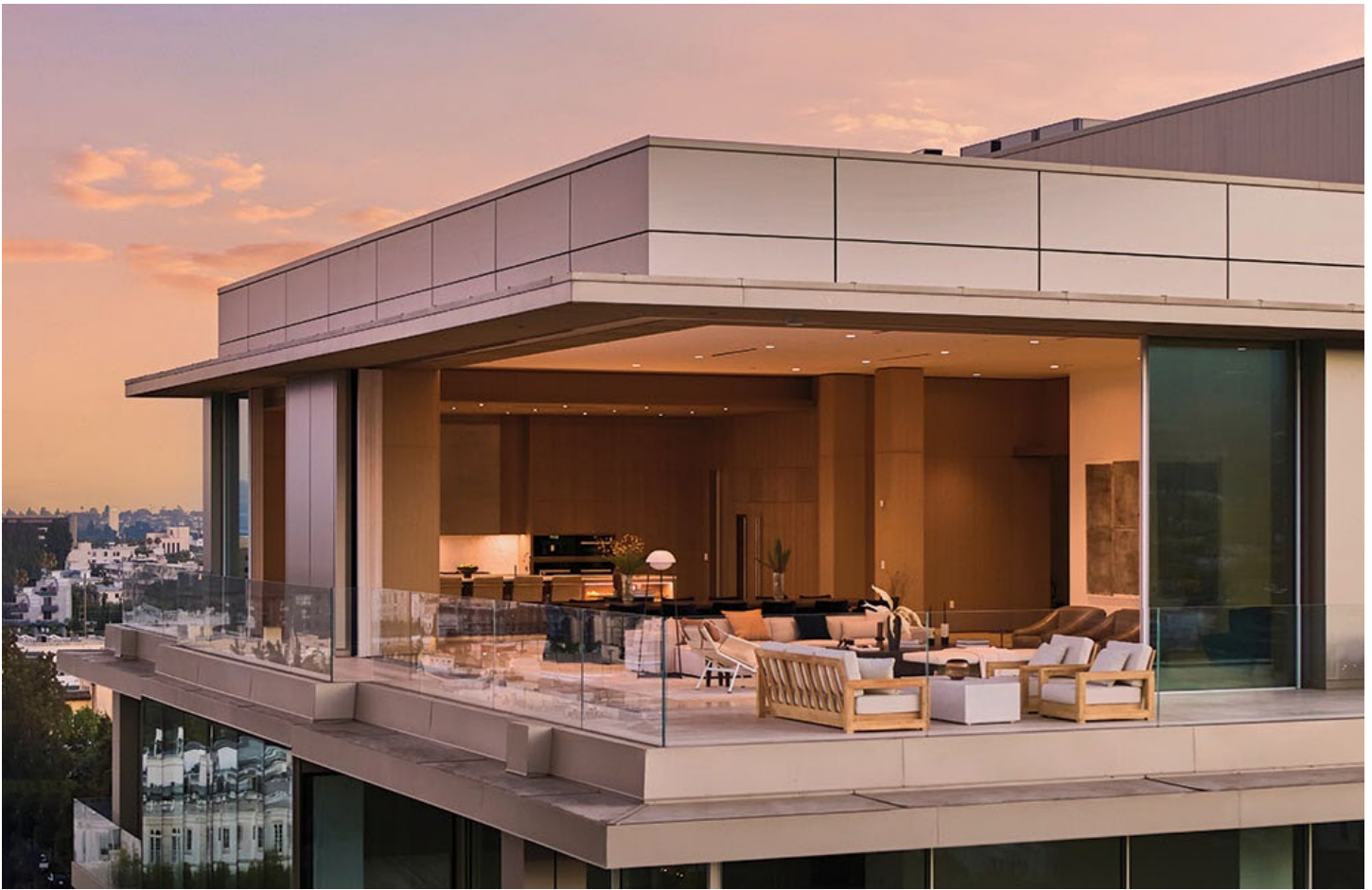
8899 Beverly's 8,000-square-foot Penthouse East COURTESY OF NILS TIMM

Who hasn't dreamed of living in a hotel, à la the famous children's book heroine Eloise? In Los Angeles, this is increasingly becoming a possibility with the rise of luxury branded residences, which combine condo living with some of the biggest brands (and the services they offer) in the hospitality industry.

Branded residences such as the [Mandarin Oriental Residences](#), [Rosewood Residences](#) Beverly Hills, Four Seasons Private Residences, Aman Beverly Hills and the [Pendry Residences West](#)

Hollywood on the Sunset Strip are rising in West Hollywood and Beverly Hills at a surprising clip. With properties ranging from \$3.6 million and up at the Mandarin Oriental to the \$75 million listing for the penthouse atop the Four Seasons residences, the biggest names in real estate are betting on the future of multi-unit living in Los Angeles.

In July, real estate agent Taaseen Qureshi of PowerPlay sold a \$21.5 million unfinished condo taking up the entire 10th floor of the Pendry in West Hollywood, making it the highest-priced condo sale in 2022. Earlier this year, Jason Oppenheim and Douglas Elliman’s Fredrik Eklund sold two combined units at 8899 Beverly for \$17.5 million. While 8899 is not technically a branded residence, it follows along the same lines — luxurious condo living at sky-high prices, including a pair of 8,000-square-foot penthouses each on the market for \$50 million.



8899 Beverly’s 8,000-square-foot Penthouse East, listed for \$50 million, features 12-footwide terraces. COURTESY OF NILS TIMM

These sales signal a shift in the L.A. market, which has long focused on single-family homes. “It’s still very much an adolescent market for condos,” says Mike Leipart, managing partner at The Agency Development Group.

The slow trend toward luxury condos started more than a decade ago with the opening of the Montage (now Maybourne) Residences in Beverly Hills in 2008 and the Ritz-Carlton Residences at L.A. Live built in 2010. That same year, Candy Spelling shattered records when she purchased the

top two stories of The Century in Century City for \$35 million, still the most expensive condo ever sold in L.A.



The Four Seasons Private Residences include an IMax theater. COURTESY OF MARTYN LAWRENCE BULLARD AND CRTKL

Condo prices plummeted, though, with the arrival of the COVID pandemic as yards and outdoor living became a priority.

Yet lifestyles continue to shift. As The Agency's Billy Rose notes, for globe-trotting moneyed clients thinking about a part-time home in Los Angeles, condos are appealing. "They don't necessarily want to live in New York or Miami or Paris or wherever year-round, because who wants to live there in the winter or in the depths of the summer? They think, 'Well, if I'm going to live in L.A. part-time, I don't want to worry about, did a water pipe break? Did somebody break in? Ideally, I'd get a condo, where somebody else can look after all that stuff,'" says Rose.

Brad Berry, vice president of global residential development for Rosewood Hotel Group, agrees. "Over the past several years we've seen many people adopting a more flexible lifestyle that does not have them tethered to one place," he says. "This has led to a heightened demand not only for branded residences, but those that cater to the cultivated tastes of global citizens."



A rendering of a pool at Rosewood Residences, due to open sales in 2023, with units starting at \$9 million. COURTESY OF SUBJECT

Demographic shifts have also aided in the high-end condo's rise — particularly for full time residents. “The baby boomers are getting older,” says Leipart. “They’re empty nesters, and so they’re looking for smaller units, possibly units that make it much easier to travel, do other things, less upkeep. And we have a lot of wealth in California. And so, if they’re going to do that, they want to do that with a very service-rich environment. That’s really where the branded residences come in, because they have all the hospitality services with them.”

Prices are up for condos as well in two wealthier areas of Los Angeles. In August, the median sales price of condos in West Hollywood and Beverly Hills was about \$1 million, compared with \$852,000 a year earlier.

At high-end branded properties, it’s the concierge services that serve as the top selling point. From room service to personal shoppers, housekeepers, dog walkers, valets, spas and restaurants (such as a new offering from acclaimed chef Daniel Boulud at the Mandarin residences), branded residences promise a seamless living experience — all supported by hefty HOA fees. “Every element of the owner experience will be expertly managed by a dedicated Rosewood Residential Team,” says Radha Arora, President of Rosewood Hotels & Resorts of the upcoming 17-unit Rosewood Residences. “These experts of hospitality provide round-the-clock, tailored services to owners while also finding opportunities to surprise and delight. They ensure that the brand’s DNA is carried into the residences and that the owner experience reflects what Rosewood loyalists have come to love from our hotels and resorts.”



A rendering of a model unit at the Mandarin Oriental Residences. DOUGLAS FRIEDMAN FOR SHVO

Many of these buildings have also enlisted top-tier architects, such as Thomas Juul-Hansen for Rosewood and the firm Olson Kundig at 8899 Beverly, and are using luxury materials and cutting-edge appliances not usually associated with condos. “Olson Kundig shaped 8899 Beverly by two key principles: to fully integrate home and garden for seamless indoor/outdoor living, and to incorporate modern design that respects the scale and altitude in the pre-existing residential neighborhood,” says 8899 listing agent Fredrik Eklund of Douglas Elliman.

While it remains to be seen if the luxury condo boom will pan out, the signs so far are good. According to Rose, about 60 percent of the Four Seasons’ 59 residences have sold. “There’ll be more [branded luxury condos],” Rose says. “And I think they’ll get better. And I think it will get more and more into the zeitgeist and what is considered appealing in L.A. over time.”

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