

DTLA Luxury Living Sees Leasing Surge

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LOS ANGELES—Only 10 months after opening, the Emerson, a 20-story, 271-unit luxury apartment complex from Related California, is 85% occupied and is collecting some of the highest rents in the market. The success of the property is a prime example of the resurgence in the Downtown Los Angeles market as well as an example of the multifamily product types that are driving tenancy. In an exclusive interview, we sat down with Gino Canori, EVP of development for Related California Urban Residential, to learn about the strategy and vision behind this success story. Here, Canori talks about trends in tenancy, escalating rents and the blooming downtown market.

GlobeSt.com: At the Emerson, you recently experienced a rental surge. What has happened over the past few months to drive occupancy up?

Gino Canori: The pace of leasing has been nothing less than dramatic. The property reached over 70% leased just seven months after opening, and we have now surpassed 85%. As more renters in the marketplace learn about The Emerson, and with the new spotlight on Vespaio's opening, the spring and summer leasing seasons have proved to be very strong. This is an elegant, one-of-a-kind property that powerfully attracts a diverse set of residents from California and around the world. Its success is a signal of momentous growth throughout the Downtown Los Angeles market, but specifically in Downtown's cultural core. Residents tell us they greatly value the building's amenities in addition to the array of museums, restaurants and activities in the immediate neighborhood.

GlobeSt.com: Many of these residences are being used as second or third homes. Is that common in DTLA, or was this part of your marketing strategy? Why is it beneficial to have this type of resident in the building?

Canori: Several of the Emerson's residents have additional homes outside of Los Angeles, everywhere from Palm Springs to Paris. Their Emerson residence is used for business and its close proximity to cultural activities downtown. The building's services and amenities are commensurate with those of the finest hotels, which appeals to residents traveling from homes in other cities and is unique among for-lease properties in DTLA. A Resident Service Specialist is available to field any request and can coordinate every detail of a resident's move—from selecting moving firms to scheduling the Related Technology Concierge to help with home-technology installation and trouble-shooting. The extensive service staff also includes a 24-hour concierge, to facilitate package-receiving and dry-cleaning services, as well as the Related Personal Assistant who can coordinate daily needs from restaurant reservations to dog walking and travel arrangements.

In addition, the Emerson has several residents who take advantage of the Related Companies "transfer" program: If you are living in a Related building in another city, you can easily transfer your lease to The Emerson. It's a brand-loyalty program that several residents have employed from other properties across the country, and demonstrates that people love the Related way of life.

GlobeSt.com: How have you been able to achieve some of the highest rents in the market? How quickly are rents escalating?

Canori: The combination of luxury amenities and enticing location has proved irresistible, and we expect this strong pace of leasing to accelerate as we approach full occupancy. The Emerson's unique location provides the ability to walk-to-work which is rare in southern California, coupled with the elite services, thoughtfully designed amenity spaces and breathtaking views. The market sees value in the Marmol Radziner-designed residences and amenity spaces that feature distinctive materials and finishes inspired by the neighborhood's flourishing art scene. The unsurpassed amenities include a stunning penthouse lounge with an outdoor terrace, a bar area with custom billiards table, as well as a catering kitchen and dining area for private events. Residents also enjoy the outdoor pool and spa with lounge furnishings and yet another outdoor barbeque for entertaining, a fitness center, library, screening room and pet spa.

GlobeSt.com: When do you expect to reach full occupancy, and what are you doing to continue attracting tenants?

Canori: Current pacing suggests the Emerson will be fully leased by the fall. Among the strongest new attractions is Vespaio restaurant, which opened last month on the ground floor. Vespaio's signature



Italian cuisine is by one of Los Angeles' most admired restaurateurs and chefs, Agostino Sciandri. Those living at The Emerson have access to in-home dining, catering for on-site events, and special discounts on seasonal offerings. Residents may choose food service in their homes or in the property's extraordinary amenity spaces, including the penthouse terrace. As the neighborhood continues to welcome more additions, we anticipate a surge in activity in the late summer and early fall when The Broad museum, featuring Eli Broad's renowned art collection, and prolific restaurateur, Bill Chait's newest downtown restaurant both open adjacent to The Emerson.

GlobeSt.com: Do you think that the success of this property is in line with the success in Downtown, or has this been an exception?

Canori: There is no question that Downtown Los Angeles is experiencing a surge of growth that is exemplified by the Emerson. Related Companies has long committed an unprecedented level of support and investment to DTLA. All signs point to the continuation of healthy, sustainable growth. The area is seeing enormous development activity, and much of this is due to long-planned investment in infrastructure, transportation, arts and entertainment, and commercial real estate. But the cultural corridor, which surrounds the Emerson, is perhaps the most dramatic sign of that growth. We welcome next month's opening of The Broad museum, directly adjacent to The Emerson, as it joins the Walt Disney Concert Hall, Museum of Contemporary Art and Music Center of Los Angeles County as some of the finest cultural institutions in the world.