

Los Angeles Real Estate: 3 Hot New Niche Markets

/21/2016 by Alexandria Abramian



Frank Bruno sold Lin this four-level, 4,300-square-foot penthouse (once leased by Nicolas Cage) in the former National Biscuit Co. building in 2012.

Downtown prices soar in anticipation of Soho House, Marina del Rey competes with Malibu and an exclusive enclave awaits outside Calabasas.

WHERE MALIBU MEETS CALABASAS

Equestrian-friendly lots five miles from Pacific Coast Highway in Malibu and rolling-hill views (where *MASH* was filmed) are among the perks at Country Ridge, a brand-new development located near the intersection of Las Virgenes Road and Mulholland Drive. Although it's technically within

Calabasas — land of the cookie-cutter, gated-community mansion — real estate agent Craig Knizek says the eight-estate, 100-acre development is the antidote to reality-TV-ready compounds. "Justin Bieber types buy those huge Calabasas mansions that are all lined up next to each other," says Knizek, a former producer on *Mad About You* and *The Simpsons*. "Yes, they're big, they're fancy. But if you're drunk, you'll never know which one you live in. And you'll never have space there."

Room to roam — on foot or on horseback — is among the top selling points at this soon-to-be-completed Santa Monica Mountains enclave. Only eight homes are planned — the first three of which will come up for sale in July — each sitting on between 5 and 11 acres of land. Prices start at \$4.32 million for Spanish colonial, hacienda-style homes ranging from 5,500 to 7,000 square feet, which are designed to be out of view of one another. Additionally, every lot is zoned for agriculture, which means horse boarding is permitted. "The marquee property has 11 acres, including a massive meadow that's pancake-flat," says Knizek. "It could easily be a world-class equestrian facility. Or you could just hold a carnival there."

Knizek, who sold Selena Gomez her Tarzana home in 2009, expects Country Ridge to be a draw for musicians: "Out in Malibu, there are a lot of composers and recording artists, and this has that same serene quality." Nearby Abercrombie Ranch Estates, one of the only other gated enclaves in the area, lured recent buyers Kevin Hart and former NFL player Keyshawn Johnson, who respectively purchased the 12-lot development's last two parcels and currently are building homes. "The draw here is space and proximity to the city," says listing agent David Parnes, who along with James Harris stars on *Million Dollar Listing Los Angeles*. Together, the two, along with Emil Hartoonian, currently have an 8,800-square-foot Abercrombie Ranch Estates home on 10 acres listed for \$4.75 million.

DTLA'S ARTS DISTRICT

Parts of downtown L.A. are poised for a major real estate boom — the second biggest explosion in new households in the U.S., according to Realtor.com. Leading the pack for luxury housing is the Arts District, on the eastern edge of downtown. "This part of downtown L.A. is truly starting to explode," says Frank Bruno, who sold Vincent Gallo's Biscuit Lofts unit to *Star Trek Beyond* director Justin Lin in 2012 for a record-breaking \$2.6 million. "That sale changed the landscape of the neighborhood by showing high-end values that could be achieved in the Arts District," says the Keller Williams agent, who just closed on another loft in the building for \$1.85 million, with "a price per square foot of \$1,220, a lot of which is being driven by the retail development and changing landscape here."

That changing landscape includes the recently opened 100,000-square-foot Hauser & Wirth art gallery and premier architecture bookstore Hennessey + Ingalls as well as an ever-growing number of businesses migrating to the area, including the Santa Monica Museum of Art, which will move into a 12,700-square-foot, Kulapat Yantrasast-designed space in the Arts District in 2017 (becoming the Institute of Contemporary Art in the process). But one key tenant will have an outsize impact on the market. "When Soho House said they were moving to the Arts District, it became a sales pitch for many agents trying to explain the area to people who weren't able to understand it," says Bruno, who likens the neighborhood to a hybrid of New York's Meatpacking District and Venice's Abbot Kinney.

"This is becoming a true retail corridor," adds real estate agent Brigham Yen of such area newcomers as fashion house Guerilla Atelier, Detroit-based leather goods store Shinola and the Portland-based Salt & Straw ice cream chainlet. "It's going to become more and more attractive once there is a critical mass of services and businesses." Adds Hana Cha of The Agency, "You're seeing high prices now, but a year from now, when Soho House is open, this is going to be the place to be, and prices are going to go even higher. I wouldn't be surprised if there was a Louis Vuitton store in the Arts District soon."

SOUTH VENICE AND MARINA DEL REY

Malibu residents might go to great lengths to keep their coastline to themselves, but for beachfront homeowners in sections of Venice and Marina del Rey, there's no berm building or legal strife: Instead, dearth of parking and a bike path dead-end do the work. "There just isn't a lot of access to the oceanfront homes in Marina del Rey," says Tami Pardee of Pardee Properties. "People used to think Marina del Rey was trapped in the '80s, but the truth is, as long as you're south of the parking lot [at the end of Washington Boulevard], this is one of the most untapped beach areas in all of Los Angeles."

In April, Pardee represented the buyers on a Hamptons-style home that closed for \$9.3 million. At 3,500 square feet, the coastal contemporary (which is north of that parking lot divide) sold for more than \$2,500 per square foot, a metric more often reserved for areas like Trousdale Estates. Just a few hundred yards away on the Marina del Rey canal, that price drops closer to \$1,000 per square foot for properties like Jean-Claude Van Damme's 7,574-square-foot contemporary, which was purchased by rapper-actor Ice Cube in early May for \$7.25 million.

"We're seeing a huge jump in prices for Venice and Marina del Rey oceanfront properties," says James Allan of Coldwell Banker Preview Estates. "From here on out, we're going to start seeing more and more sales going over \$10 million, which is what you get in Manhattan Beach and Malibu."

Driving the rise in prices is the fact that land is limited. "There are maybe two dozen lots at most at this oceanfront area in Marina del Rey — and of those, only eight or 10 are single-family homes," says The Agency's managing partner Santiago Arana of the oceanfront strip, where residents include TMZ's Harvey Levin. Arana currently has on the market a 4,000-square-foot corner home perched right on the sand for a little less than \$8.5 million. "Six or seven years ago, Venice was going bananas," he says. "Now that's expanding, and right now, Marina del Rey and Playa Vista are gaining a ton of value."



This Marina del Rey home, built in 1996, offers beachfront living without the bike path.

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