

MANSION GLOBAL

What Millennials Want: Homes Designed for Connection and Convenience

Miami to see uptick in luxury rentals, luxury developers bet big on the Dubai waterfront and more news from the around the globe

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Onsite co-working spaces boasting coffee bars and Mac computers. Branded bikes, toy sailboats and take-away picnic baskets, meant to be enjoyed on a Central Park outing. Access to a fun-filled courtyard, with ping-pong tables, fire pits and an adult treehouse. These are just some of the amenities that new luxury condominium and high-end rental buildings in major U.S. cities are including with a specific demographic in

mind: well-to-do urban millennials.

These 19- to 35-year-olds are all about their lifestyle, experts say, which is part of why these amenities appeal to them. Many work from home, get around by bike, and put a big emphasis on experiences over possessions.

“They live very communally, they share a lot—both online and in person—and they’re very social,” said Dan McInerney, the vice president of Taconic Investment Partners, a Manhattan-based company that owns, operates, and develops commercial and residential real estate. “Creating a sense of community is very important to them.”

In addition to functional yet comfortable shared spaces that foster collaboration and connection, millennials are also all about convenience, said Maile Aguila, the senior vice president of South Florida-based Swire Properties. As a result, new high-end rental and condominium buildings being raised within massive, mixed-use developments, like Reach and Rise in Miami’s Brickell City Centre and the residences in Los Angeles’ Playa Vista development, are also a good fit for this group.

“This is the ultimate place to live, work, eat and play,” Ms. Aguila said of Swire’s two 43-story Brickell buildings, which are connected to a cinema and WeWork office space, and are in a development that will include a wine bar, restaurants, and high-end retailers like Saks Fifth Avenue. “You can eat, you can drink and you can shop, and all you have to do is come downstairs.”

But while a convenient location and enticing amenities were once enough, that’s no longer the case, experts say.

“Anybody can put amenities in a building,” said Andrew Barrocas, the CEO and founder of Brooklyn-based real estate brokerage MNS, “but if they’re not programmed correctly, they’re not of any value, and can actually be detrimental to a building.”

Mr. McInerney agreed, noting that this interest in programming likely came from the success of concierge services that could handle things like dinner reservations and theater tickets.

“The millennial group is experience-driven,” he said. “They like to seek out adventure and gain additional knowledge, and if they can do something in the building that they would otherwise have had to travel all over the city to find, it’s much more convenient.”

At MiMA, a high-end, 500-unit rental building in Manhattan’s Hell’s Kitchen, Chris Schmidt, the vice president of Related Properties who oversees the building’s leasing, said about 35% of residents are millennials. Programming in the building includes an outdoor summer movie series, regular dog-friendly “yappy” hours, and a building basketball league, which plays its games on a full-size, indoor court. “This sense of community and wealth of amenities is critical,” he said.

Other buildings hold group yoga classes, host book clubs or cooking classes and lead wine tastings. And at YOO on the Park, a 245-unit rental building set to open in Atlanta later this month, there will be an on-staff lifestyle director—a modern day Julie from “The Love Boat,” said Scott Leventhal, the president and CEO of development firm The Trillist Companies, noting that most millennials won’t get that reference.

Mr. Leventhal envisions that this certified fitness instructor will lead group exercise classes in nearby Piedmont Park, organize outdoor adult scavenger hunts in the area and generally promote social engagement for the residents as a “next-level amenity.”

In addition to programming shared spaces with a social-focused tenant in mind, the design aesthetic within them has also gone through a recent transformation, said Karen Asprea, the director of Manhattan-based

design firm Whitehall Interiors.

“We’re designing more for community experience,” Ms. Asprea said, which has meant as much open space as possible, with fluid transitions between the library, the lounge and the kids’ playroom, plus long communal tables in work spaces and large demo kitchens in party rooms.

“The whole shift is about how people are using the spaces,” Ms. Asprea said, “and about being comfortable.”

While these types of amenities and updates have grown increasingly popular in luxury developments with condos priced between roughly \$1 and \$8 million and rental units that cost up to \$10,000 per month, it’s important to note that millennials aren’t the only ones benefiting, as many of the buyers and renters in these buildings are much older.

“The focus is really on people with social and active lifestyles,” said Anna Zarro, senior vice president of sales and leasing at Extell Development Company, which is raising the One Manhattan Square building, home to the adult treehouse and other fun features. People buying units in that building will include not only millennials, but also foreign buyers and locals who live in the tri-state area and are purchasing a city pied-a-terre, Ms. Zarro said, adding that, “meaningful socialization within a community building can be enjoyed by many types of purchasers and tenants.”