

Check Out Downtown's \$200 Million Corporate Housing Tower

By Heidi Kulicke | Posted: Tuesday, July 7, 2015 5:00 am

DOWNTOWN LOS ANGELES - The developers of most Downtown Los Angeles apartment projects are looking for one thing: consistency. After all, the key to profits is having buildings filled, and the most logical way to filling them is to get tenants who stay for a year or two, and potentially much longer.

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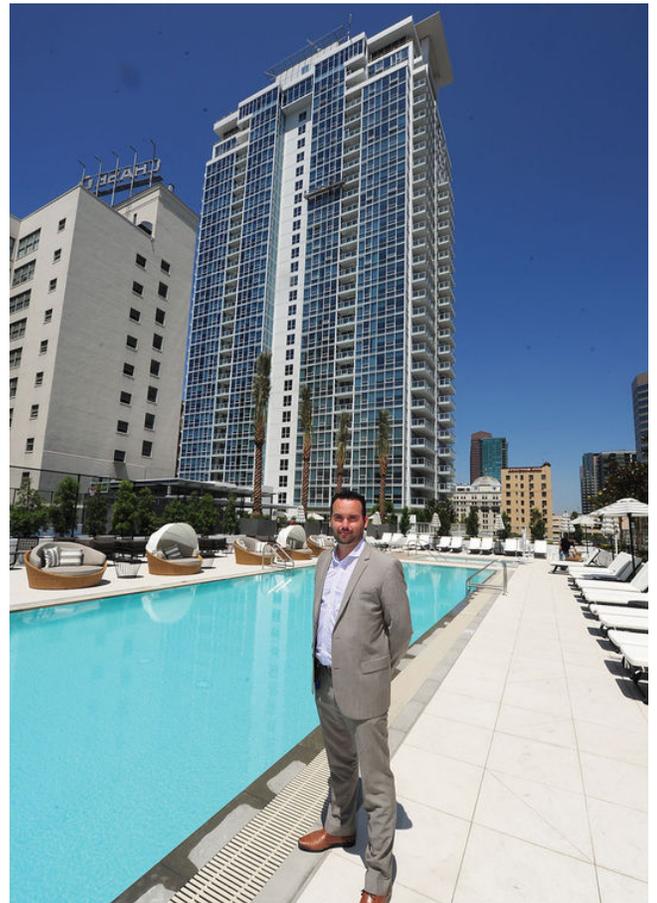
Vancouver, Canada-based developer Onni Group is banking on something different with its new Central City project. It expects people to stay for a relatively short time, generally one to three months, and then leave.

While that is counter to the prevailing trend, one factor helps Onni's bottom line: rents for fully furnished units with hotel-like services that start at \$6,000 a month.

Onni's Level Furnished Living opened at 888 S. Olive St. last month. The 33-story steel and glass building features 303 one- to three-bedroom residences. It is pitched to corporate travelers who are in town for a convention or work assignment, said Javier Cepeda, regional vice president of Level Furnished Living.

"People don't want to feel like they're living out of a suitcase," Cepeda said. "They want the option of a home-cooked meal and a place they can bring their kids to visit."

Los Angeles is the second location for a Level Furnished Living project. The first was a 187-unit development in Vancouver that opened in 2009. Onni intends to add buildings in the United States and Canada, Cepeda said.



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Javier Cepeda, regional vice president of Level Furnished Living, from Vancouver developer Onni Group. The corporate housing project has amenities including a 70-foot outdoor pool.

He said the revival in Downtown and across the rest of L.A. prompted Onni to invest in the Central City. The company has two other nearby Downtown projects in the pipeline. One is planned to become a traditional apartment building, while the other will likely be a mixed-use retail and office space, Cepeda said.

“We learned that lots of people were moving here, or are here for work projects,” Cepeda said. “Extended-stay hotels have proven to be ineffective, so we decided to create living spaces that feel like home.”

High-End Touches

Each Level residence has a fully outfitted kitchen, bedroom, bathroom and living area. Appliances are high-end brands such as Sub Zero and Bosch.

Every apartment has a private balcony with patio furniture, as well as a washer and dryer complete with soaps and detergents. Utilities, cable TV, high-speed wireless Internet, local phone calls on a cordless phone and weekly housekeeping service are included.

There is a 50-inch TV in every living room and a 40-inch television in all bedrooms. Those who book at Level can bring along their dogs and cats.

There are 600 parking spaces, four meeting rooms and a ground-floor lounge area known as the L Club (it includes a restaurant-grade kitchen to prepare food for large parties). Other amenities include a 70-foot outdoor pool on the ground level, along with a hot tub, poolside bar and cabanas.

Also outside are steam and sauna rooms, a full-size basketball court and a barbecue area, along with a game room with ping-pong, billiards, shuffleboard and more.

An indoor gym opens up to a patio, which may have additional exercise equipment or be used for yoga classes and outdoor movie screenings, said Cepeda.

The project has impressed Vancouver resident Nicole Jones and her daughter Ashley. Ashley is attending USC this fall and the two came down early to look for housing.

“All of the hotels were booked up in the area, and we stumbled across Level,” Jones said. “Everyone was so nice and accommodating and they got us a room with just one day’s notice.”

Level’s flexibility appealed to Jorge Caamano, a Washington, D.C. resident and travel director with Black Entertainment Television. Caamano flew to Los Angeles for the BET Experience that took place at L.A. Live in late June. He needed a place to stay for nine days.

“Most corporate housing places require at least a month-long stay, but Level is flexible with short-term stays,” Caamano said. “That was a big plus for me.”

Caamano complimented the service at the building, calling it “impressive,” and a big reason why he

would return. He also raved about the location in the heart of Downtown.

Cepeda said that in addition to corporate clients, he anticipates business from students attending USC and FIDM. Level has already signed a few year-long leases, he added.

Onni isn't the first company to figure out that there's an appetite for corporate housing in Downtown. The TenTen Wilshire building opened in City West in 2008 and offers 227 furnished one to three-bedroom residences with hotel-like amenities.

TenTen Wilshire has a mix of corporate clients, retirees, families and students, said Kevin Kashanian, an account manager with the building. He said demand for this type of housing in Downtown is huge.

Kashanian said TenTen Wilshire has a year-round occupancy rate of 95%-100%. That includes some tenants who have been there since the building opened.

Kashanian said corporate clients appreciate the setup, which is more comfortable than a hotel and allows for an easily accessible live-work-play balance.

"People love having everything in the same building," Kashanian said. "They don't need to leave to go to the office, work out or do laundry. We have it all."

TenTen Wilshire's track record indicates the potential Level Furnished Living could achieve. Cepeda said he hopes to have 100% occupancy by the end of summer, if not sooner.

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