

# THE SUNDAY TIMES

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## Home Overseas

**R**yan Gosling sang "City of stars, are you shining just for me?" in the feelgood

Hollywood hit *La La Land*. The actor is not the only one to be starstruck by Tinseltown: from Elizabeth Taylor to James Corden, we continue to be dazzled by Los Angeles.

Of the 10m-plus residents living in the greater Los Angeles area, it's estimated that more than 200,000 are British, and several famous names might be joining them. The Duke and Duchess of Sussex are said to be thinking about relocating, albeit part-time, to be closer to Meghan's mother, Doria Ragland. The duchess's former LA home, in Hancock Park, where she lived with her previous husband, is on the market for \$1.75m (£1.35m). Meanwhile, David Beckham's decision to rent a Beverly Hills home for him and his children during October half-term has sparked gossip that the family is returning to America's second-largest city.

"Ten years ago, people would have come from London and stayed for two weeks in the Beverly Hills Hotel, looked at a few properties and say, 'I'm going to buy,' but then they would disappear back into London life and you wouldn't hear from them again," says James Harris, estate agent and director of The Agency.

"Today they come to stay at the Beverly Hills Hotel, say they are going to buy and they do."

Britons often head to Santa Barbara, about two hours' drive north of LA, which is considered "picture-postcard California". Singletons and newlyweds might opt for West Hollywood, with its vibrant nightlife; families, meanwhile, prefer Santa Monica, which is renowned for its schools – a detached family house with pool here would cost between \$3.5m and \$5m.

**Fancy joining the glitterati in Los Angeles? With mansions selling for \$100m and rents reaching \$60,000 a month, you'll be lucky, says Carol Lewis**

# LA CONFIDENT



For Harris, who moved from London to LA 15 years ago, the attractions are obvious: "We come for the lifestyle, weather, views, beaches, fashion, food, arts – there is so much going on. And just look at what you can get for \$50m in London or New York compared to LA. OK, so it's slightly further to come, but there is a huge difference in lifestyle." In fact, \$1m will buy 29 sq metres in London, 30 sq metres in New York and 39 sq metres in Los Angeles, according to Knight Frank.

Although \$50m might be considered a snip for a home in the "platinum triangle" – Beverly Hills, Bel Air and Holmby Hills – where homes often exchange for much more.

Rumours of a slowdown in the luxury market are

overstated, Harris says. "New York and Miami are both saturated; here, it has become more price sensitive but it's still a very strong bull market. Eighteen months ago, houses were selling at a 15% premium, but they are now selling for exactly what they are worth."

He recently sold a property for \$94m that went on sale two years ago for \$250m. "I find it hysterical that people say 'what a discount'. The truth is it was never worth \$250m, it was only ever worth \$100m," says Harris, who is as famous as his clients in *La La Land*. He and his business partner, David Parnes, present *Million Dollar Listing*, a TV series about LA property.

Stacey Watson, head of American operations at Knight

Frank, says that while the market for properties under \$2m has remained strong, the over-\$5m market has softened. "It is now back to normal, having lost the frenetic pace we witnessed in 2016 and 2017. Above \$20m there is a lot of product, sales are steady, but it remains a buyers' market."

Despite the optimism of Californian estate agents, there have been reports of sellers going to extraordinary lengths to seal a deal. Forget freshly brewed coffee or the smell of baking in California, where cannabis was legalised for recreational use almost two years ago, sellers are drugging potential buyers.

The *Wall Street Journal* reported that the owners of a four-bedroom house in the



The Chapel, Harrogate, North Yorkshire

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Hollywood Hills, on the market for \$9.5m, invited prospective owners to a seven-course meal accompanied by different flavours of cannabis after being forced to slash the property price several times. Another sale was secured after an estate agent in Beverly Hills invited viewers to a cannabis-laboratory-themed party.

The buyer of Spelling Manor, former home of the late TV producer Aaron, might have hoped he was hallucinating when he was presented with a bill for \$120m. The Manor, as it is known, was once home to Petra Ecclestone, daughter of the British Formula One magnate Bernie. It is a palatial 56,000 sq ft, 123-room mansion sitting in 4.6 acres,



**Angel investors**  
From top, Johnny Depp owns a house in the Hollywood Hills; David Beckham spent half-term with his family in a high-end rental in Beverly Hills; La La Land star Ryan Gosling and his partner, Eva Mendes, live in Los Feliz; the Duke and Duchess of Sussex are also rumoured to be considering a move to the city

believed to be the largest house in the county – and the biggest property sale of the year.

But perhaps not for long. Another buyer is reportedly poised to pay \$150m for Park Bel Air, a 10.6-acre plot opposite the Hotel Bel Air with planning permission for three large estates – each with a 60,000 sq ft home (on the market with Douglas Elliman and Knight Frank). Each estate will be set into the hill with views across West Los Angeles to the Pacific Ocean.

According to Harris, price “comes second” to views for his wealthy clients, who are looking either for a house with vistas across the city or complete privacy – more easily attained in the large houses on The Flats than up in the hills. “They could write a cheque for \$20m or \$100m, the key thing is that most don’t want to have to do anything other than bring a suitcase and a toothbrush and move in,” he says.

“By 2026, there are expected to be some 4,095 individuals with more than

\$30m in net assets living in Los Angeles,” Watson says. This growing wealth is driving the top end of the market, with prices up by 64% for luxury properties from a low in 2010.

A lot of new wealth is being imported and generated by the tech industry. LA was home to the second largest concentration of tech employees in America in 2017 (more than 500,000) after New York – San Francisco was third.

LA is home to Silicon Beach, a tech cluster in the Westside region, with Google, Yahoo!, Microsoft, Facebook and a range of start-ups. Here homes will cost about \$1,500 to \$2,000 per sq ft. There is also a buoyant rental business, as new recruits move from Silicon Valley (near San Francisco) and Silicon Roundabout (in east London), says Jason Mansfield, an American estate agent now based in London, who sells US property to Brits for Knight Frank (and its American partner, Douglas Elliman).

While property prices are extravagant, rental costs are “absolutely insane”, Harris says. According to a recent report by Savills, which is the UK partner for Harris’s agency, rents grew by 4% in the first half of this year,

pushing yields up to an average of 5.2% – although Harris believes that would be higher for many luxury properties.

He points to a high-end development called Ten Thousand at 10,000 Santa Monica Boulevard, where it costs from about \$10,000 a month to rent a one-bedroom apartment (up to about \$60,000 for a three-bedroom penthouse). These prices – for a minimum let of 6-12 months – make Beckham’s \$20,000 for a one-month rental of a six-bedroom mansion in Beverly Hills look like a bargain. “Short lets, of less than three months, generally come with a premium of 20% to 50%,” Harris says.

Landlords looking to capitalise on the region’s rental boom could do worse than investing a little further afield in San Diego, according to Mansfield. The “classic American town” is home to the US navy, marines and submarine fleet, who are paid a stipend to rent in the town. “You can buy a decent three-bedroom family home for \$700,000-\$800,000, rent it out and get a yield of 5% or 6%.” It might not be as glamorous as Bel Air or as la-la as Beverly Hills, but “it is as close to recession-proof as you can get here”.

## HOME COMFORTS

A few years ago, Hollywood mansions boasted sweet rooms, lined with candy; now it is health facilities that the rich crave. “They want a movie room, gym, pool and beautiful wine cellar, but increasingly they want wellness facilities, too, with developers trying to outdo each other to provide the most extravagant hammams, saunas, hot and cold plunge pools. I even saw one house with a surgery room where you could get your Botox and fillers done at home. I have also seen four-lane bowling alleys and one house that is being built with a jellyfish room [featuring walls lined with tanks full of the sea creatures] and an ice sculpture room,” says James Harris, high-end Los Angeles estate agent at The Agency.

## CALIFORNIA DREAMER

Jake Arnold, 29, moved from Hertfordshire to Los Angeles in 2012 to take up an internship in interior design. Now, after a bit of to-ing and fro-ing between England and America, he has settled in the city and received his green card (permanent residency permit) last week. He lives in West Hollywood, a five-minute walk from his job with 4C Design Group.

“Interior design is such a huge industry here. Everyone, not just the very wealthy, employs an interior designer. And the range of properties, from beach to hills, means there is a huge variety of styles.

I really enjoy the optimism of the people here, too. I work with interesting clients from the entertainment

world who like to be creative and take part in the process. At the moment, I am working on the renovation of an amazing Spanish hacienda in Brentwood with Paul Williams [the composer], a townhouse in Tribeca, New York, and a place in Fort Lauderdale, Florida.

“At the weekends I go to the beach or go walking in the hills. I like the spiritual aspects of life and go to meditation. British people think that is ‘so LA’, but I love it. I love the fact that people really do want to help each other. In Britain it seemed that people found it difficult to be happy for others’ successes, but here I find it much more supportive.

“I feel that, energetically, LA is a much better match for me than London or Hertfordshire.”



### WEST HOLLYWOOD

This house on Sunset View Drive lives up to the name, with extraordinary vistas across LA from its double-height main living room. The five-bedroom, 10-bathroom home has every luxury – the master suite

includes a sitting room, bathroom and all-important espresso machine. Downstairs is a cinema room, bar and gym; outside you’ll find an infinity pool, spa, fire pit and dining area. [theagencyre.com](http://theagencyre.com)



### BRENTWOOD

The price tag on TV producer Norman Lear’s estate has dropped from the \$55m seen four years ago – it was taken off the market in 2017. It is now back on sale for \$15m less. It includes a 14,000 sq ft main

house with a professional screening room, two-storey library and chef’s kitchen, plus a three-bedroom guest cottage, pool, spa, gym, tennis court and 35-car garage, all set in more than eight acres. [knightfrank.com](http://knightfrank.com)