

# MULTI-HOUSING NEWS

## Condo-Hotels: An Old Idea That's Back in Vogue

By Allan Domb

APRIL 17, 2006 -- It's said that if you wait long enough, every fashion comes back in vogue. That's certainly true for today's hottest real estate craze: condo-hotels. Indeed, it has been nearly 90 years since Hollywood's first superstar socialites—such as Montgomery Clift, Douglas Fairbanks, and Mary Pickford—turned hotel living into a glamorous, envied art form.

Now modern amenities and contemporary stylings are updating this prestigious way of life to a broader demographic—and in record numbers to boot. Case in point: Some 70,000 private residences within hotels are being developed in the U.S., according to hotel real estate analysts Lodging Econometrics, as reported in BusinessWeek.

Empty-nesters and busy professionals are driving the trend. These real-estate savvy, sophisticated, and bright homebuyers want it all: security, convenience, five-star amenities, a unique environment and locale, and, most important, a smart investment.

It's not unusual for people to own two, three, even four homes today—especially baby boomers, who have been trendsetters since birth. This multi-home ownership is one driving force behind the condo-hotel boom. But with each additional property people own, the challenges increase. How do they find time to manage them all?

Crucial issues like personnel management, payroll and payroll taxes, and security, as well as general maintenance like landscaping and cleaning can be a lot to handle for one property, let alone two or three. Sometimes in the quest to make our lives more comfortable, we end up increasing its complexity.

### **Elegance Without End**

Living in a residential condominium that's within a hotel addresses these challenges, virtually eliminating the stress and manual upkeep of homeownership.

Firstly, services and amenities are always at residents' fingertips—even when they're out of town or out of the country. Whether it's a leaky pipe, mail delivery, or security, condo-hotels are designed to give busy homeowners peace of mind no matter where they are located geographically.

In a condo-hotel environment, residents can call the front desk and request maid service in their condo before they hop a flight to return home, track down dry cleaning that wasn't picked up before they left for vacation, or even have dinner waiting in their condo after a long day at the office.

These unique advantages are even more valuable when residents are relaxing at home in their condo-hotels. From handling deliveries, to hiring a car service, to laundry services, multi-home owners are discovering hotel living is a painless way to manage their day-to-day affairs efficiently and professionally.

For example, if residents are having people over, the concierge can arrange for reservations at the hotel's restaurant, or have the meal brought to the condo. Likewise, if residents are having overnight guests, the hotel can accommodate them in separate rooms within the hotel, or roll a spare bed into the condo.

Consider the Warwick Condominium, a new project being developed on the top eight floors of Philadelphia's legendary Warwick Hotel, a city icon known for its elegance, luxury, and steep history.

There homeowners enjoy a worry-free lifestyle in the most elegant surroundings. The one-, two-, or three-bedroom condos, priced from \$200,000 to \$2 million, include gourmet kitchens, luxurious baths, and marble and hardwood floors.

In addition, homeowners share the same marvelous amenities as hotel guests, including a la carte room service, 24-hour concierge, in-room maid service, bell hop service, valet parking, car-for-hire service, laundry service, and 24-hour security.

### **Old Hollywood: The Sequel**

The booming popularity of condo-hotels goes beyond extensive services and luxurious amenities, especially for multi-homeowners, who are far more discerning in their taste and demanding in their requirements.

A throwback to the gilded age, condo-hotels recall a time when the famous and not-so-famous elite lived in stunning urban buildings speckled with unique architectural characteristics.

In today's hurried world, the idea of living in a building steeped in history, personality, and regal allure has great appeal for people in upper-income brackets.

That's why buildings like the Warwick Hotel, built in 1926, have incomparable appeal for condo-hotel developers and homebuyers. Listed on the National Register of Historic Places, the Warwick is where Frank Sinatra and Ava Gardner honeymooned. Dwight and Mamie Eisenhower called the Warwick home whenever they visited Philadelphia.

And the Warwick was home away from home for Jack Benny, Eddie Cantor, Bob Hope, Muhammad Ali, and host of other internationally known movers and shakers over the past 80 years.

Likewise, the Warwick Hotel has withstood the test of time, remaining one of the most luxurious hotels in Philadelphia—perhaps in all of America. And it is only getting better.

As part of the \$25 million Warwick Condominium development, the Warwick Hotel will undergo extensive renovations to completely upgrade the lobby, two ballrooms, and the mezzanine level. Work should be completed in early 2007.

### **An Ageless Investment**

These inimitable attributes are keeping condo-hotels red hot, despite the cooling real estate market. In fact, the Warwick Condominium sold out a month before its sales grand opening—without printing a single advertisement or brochure about the property.

Popularity like that only means one thing: high appreciation, especially when the property is in a branded hotel environment, where values can be higher than non-hotel condos by 20 to 35 percent, depending on the brand. Buyers know they'll get a high level of quality, service, and appreciation from well-established brands.

In a world where the only commodity you cannot control is time, condo-hotel living gives affluent homeowners 'round the clock access to five-star amenities, the comfort of knowing that their homes are safe and secure, an upscale environment of the first order, and a sound investment.

The excitement and energy behind the condo-hotel trend appears to have no end in sight, nor should it. Condo-hotels have a place in our past, are thriving at present, and are poised to shape

the future of upscale living for generations to come.

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