

THE BIGGEST AMENITIES OF 2019

Experts discuss which hot amenities will dominate the new year

By JAMES PERO

When it comes to residential real estate, rest and relaxation are no laughing matter, especially in regard to an increasingly innovative amenities market.

Like most aspects of real estate, amenities spanning all categories are also undergoing a shift as technology grows, tenants' demands evolve, and the luxury market competes to keep occupancy rates high.

In light of an evolving market, below are three amenity trends that are poised to lead the way in 2019 according to residential markets experts.

Surging Smart Home Tech

For many tenants, the vision of a completely connected home is increasingly becoming a reality, and with relatively low startup costs compared to the more voluminous and costly amenities like fitness centers or spas, tenant-focused tech is poised to carve out its place in buildings of all shapes and sizes.

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— ZACH AARONS, METAPROP

One aspect of smart technology that has found a pointed and immediate place in many buildings according to Zach Aarons, managing partner of MetaProp, a tech accelerator and venture capital firm, are hardware and application-based landlord-tenant interfaces.

"There are so many in that space," said Aarons. "All these big players are using [that technology] as an amenity for their tenants."

The applications serve any number of functions for tenants and landlords alike whether it's paying rent, or checking for packages, or even placing work orders for maintenance. In some cases, buildings like 510 East 14th Street, are even selling units fully equipped with internet-enabled devices like an Amazon Echo Dot that can notify residents when their laundry is done, update residents on packages and more.

Other buildings have even made the leap to become almost entirely automated through the coupling of apps and smart home technology. At 685 First Avenue, residents enjoy a host of smart-tech services that allow users to control lighting, temperature, shades, audio, and visuals, through their phones or verbally through an Amazon Echo.

According to Aarons, the adoption rate and overall interest in tenant apps and smart tech aren't the only thing that separate them from some of other amenities, there's also the surprising bandwidth of its market ecosystem.

"Tenant engagement apps are exploding," he said. "It's very rare where you have a sector with four or six companies competing and all of them are doing business."

Fun and Games

Entertainment suites are nothing new for luxury buildings across the board, but according to Anna Zarro, a new development consultant who opened her own firm this year, traditional and immersive games are getting the green light from many developers, as old trends become new again.

"A lot of the mainstays are still desirable. It's just a question of how real they are," said Zarro.

"I would be surprised if we didn't see an increasing focus on virtual gaming."

In many amenity-rich buildings, virtual gaming rigs like golf or boxing simulators have made a surprising mark on resident experience, cropping up in buildings at Madison Square Park Tower, Jackson Park in Long Island City, and 63 Wall Street in the Financial District.

According to Zarro, some of the gaming experiences like those featured at 555 10th Avenue, have also focused on the confluence of old and new, offering residents a game room with old-school arcade games like PacMan and Pinball in addition to a two-lane bowling alley.

At Madison Square Park Tower, non-traditional virtual gaming options include bocce, zombie dodgeball, and various carnival games.

Zarro said, though the trend in building out entertainment amenities isn't necessarily a new one, what separates successful build-outs from the frivolous is intent.

"The amenities that tend not to succeed are the, check-the-box ones," said Zarro. "They're not well thought out, or well set up, or curated. Those tend to feel dated and obsolete."

Not your grandparents package delivery

Getting packages delivered to your residence may not seem like an amenity to some, but as e-commerce expands and a glut of packages descends on building across the country, high-efficiency package delivery rooms are



Amenities that will become commonplace in 2019 range from fully-equipped smart homes with digital voice assistants to full-floor bowling alleys and a package management system that handles the mail room mess.

becoming an increasingly desirable asset for tenants and property owners alike.

According to a November report by the National Multifamily Housing Council, NMHC, about 77 percent of buildings now have a dedicated room for sorting and delivering packages, a trend spurred in part by the estimated 800 million countrywide packages set to be delivered between Black Friday and New Years Day alone.

Just how advanced those package rooms are, however, is a different story.

While the HMHC reports that 44 percent of building owners with refrigerated storage report using it on a daily basis — cold storage has become increasingly important with the rise of meal delivery services — only four percent of building owners reported having one.

To help developers and tenants handle the influx of package deliveries, which can burden building staff with hours of sorting, some buildings have even resorted to more advanced third-party systems like those offered by the company, Luxer One.

"The big problem that started out for properties and residential buildings is the management of all the boxes

and packages," said Melody Akhtari, a spokesperson for Luxer One, who added that many times boxes tend to stack up behind lobby desks. "It's a very high labor process. As e-commerce has taken off over the past 10 years or so it has gotten out of hand."

The company offers different solutions for buildings looking to upgrade their systems, the most hightech of which allows users to enter a unique code delivered via email or text into a touchscreen system and retrieve their package. The automated nature of the tracking and notification system saves both employees and tenants crucial time according to the company, allowing buildings to use their often limited space efficiently.

Systems like Amazon Lockers where customers are able to have their packages shipped to an specified secured location have also gained steam throughout New York.

In an indicator of faith in the package management field, Luxer One was recently purchased by the multibillion dollar Swedish company Assa Abloy, which manufactures high-security locks so tenants can expect to see more of these in 2019.