Multifamily Amenities 2017

The Amenities Architects, Designers, Developers, and Property Owners Are Installing in Today's Apartment and Condominium Projects

SCRANTON GILLETTE COMMUNICATIONS
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From the Editors of *Multifamily Design + Construction*

THE LATEST DATA IN 'THE AMENITIES WAR'

There's been an explosion of amenities in the U.S. and Canadian multifamily construction sector. Package delivery centers have tripled in size. Simple bicycle "racks" have become bicycle "kitchens," where residents can not only safely store, but also maintain and repair their $10,500 Bianchi Oltre XR4s. Some properties now have dedicated rideshare areas for tenants to wait for their Uber or Lyft rides.

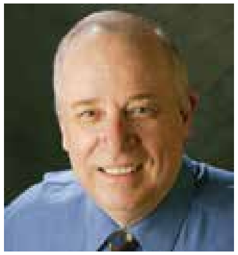
Multifamily residents are demanding high-end security systems, the latest smart home technology, "green" energy and water efficiency, and lightning-fast WiFi. On the horizon: co-working and "maker" spaces.

Developers and designers are bending over backwards to provide more—and more elaborate—services and facilities for pets. Dogs, mostly. As for amenities for children, not so much. You're more likely to find a doggie wash station than a children's playroom in most multifamily complexes.

Anything that spells "wellness" is in high demand, thanks to the spike in asthma and allergies. Renters and condo buyers want to know about any "Red List" chemicals in the materials, building products, and finishes you're using. Developers and their design teams are using fitness and nature amenities to get tenants and condo owners out of their living units and into the outdoors.

All these must-have extras add to the burden designers and contractors must contend with to meet the needs—and budgets—of multifamily developers and their customers—renters and condominium purchasers. Multifamily residential real estate is no longer just about location, location, location. There's a new mantra: amenities, amenities, and more amenities.

We'd like to hear from you. Tell us how you're faring in "The Amenities Wars."



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P. S. Thanks to our colleagues Eileen Gura, who executed the survey, and Audrey Heiberger, who designed this report.

COVER PHOTO CREDITS: (LEFT) DAVID MADISON PHOTOGRAPHY, COURTESY NOVUS RESIDENCES; (RIGHT) STEPHEN SCHAFER | SCHAF PHOTOGRAPY, COURTESY ARCHITECTS ORANGE

EXECUTIVE SUMMARY

KEY FINDINGS

- In the past 2-3 years, respondents put an emphasis on: 1) *storage* (for bicycles, gear, etc.), 2) *fitness* and healthy living, 3) *smart technology*: free WiFi, smart home systems, and security hardware, and 4) *facilities for dogs*.
- Enabling *mobility* is important—facilities for bicycles, walking trails, car-share services, access to transit, etc.
- Looking ahead 2-3 years, respondents foresee heightened demand for: 1) *co-working spaces* in multifamily complexes; 2) *technology improvements*, notably in security systems; and 3) amenities related to *community, wellness, and the outdoors*.

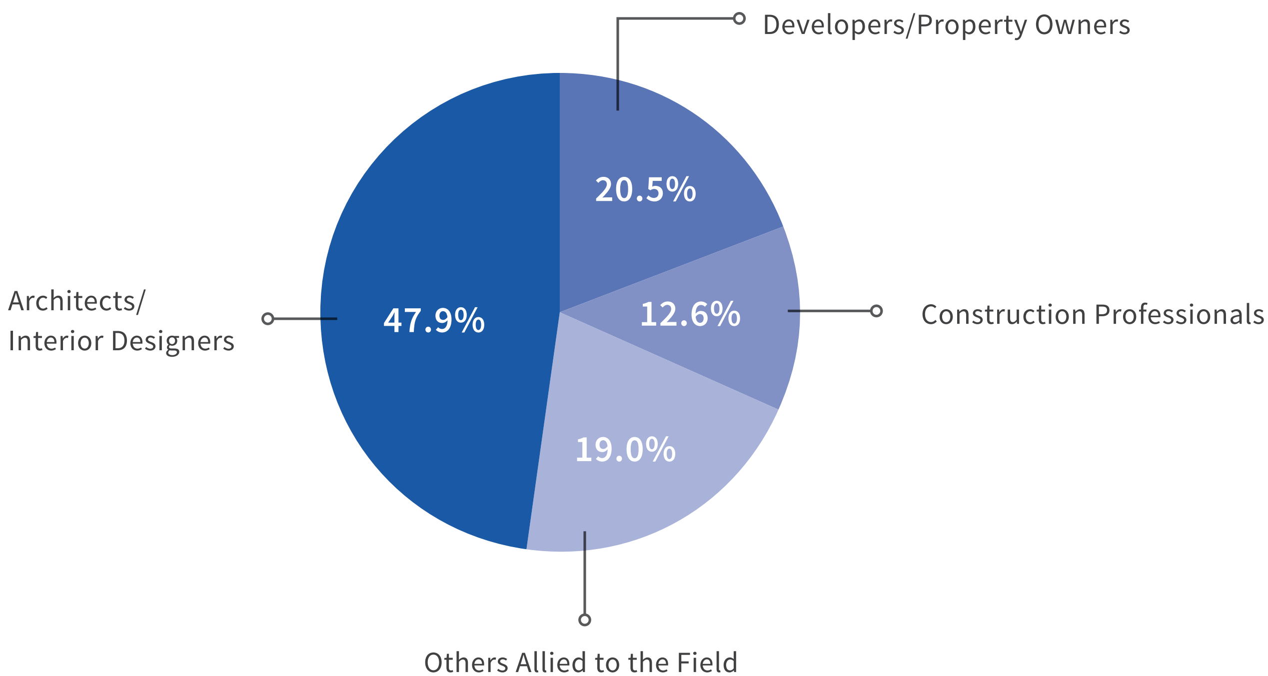
PURPOSE

- TO DETERMINE which amenities have actually been specified and installed by design and construction professionals, developers, and property owners in the U.S./Canada multifamily sector over the previous 24 months.
- TO ASSESS which amenities, in the opinion of survey respondents, will be in *significantly greater demand* in multifamily projects over the next 2-3 years.
- TO PROVIDE respondents an opportunity to list other amenities they have recently installed that were not among those included in the original survey.

METHODOLOGY

1. A 12-question survey was sent three times digitally via QuestionPro over a three-week period in June 2017 to architects, interior designers, developers, property owners, construction professionals, and others involved in the design and construction of multifamily projects in the United States and Canada.
2. The list was derived from qualified subscribers to *MULTIFAMILY Design + Construction, Building Design+Construction*, and *Professional Builder*.
3. A total of 243 people started the survey: 215 completed it at least in part; 177 completed the entire survey. Nearly three-quarters—72.8%—of those who started the survey completed the entire study.
4. A projectable trend line of the results was reached at about 73 responses.
5. No financial incentive was offered.

SURVEY RESPONDENTS BY PROFESSION



n = 215

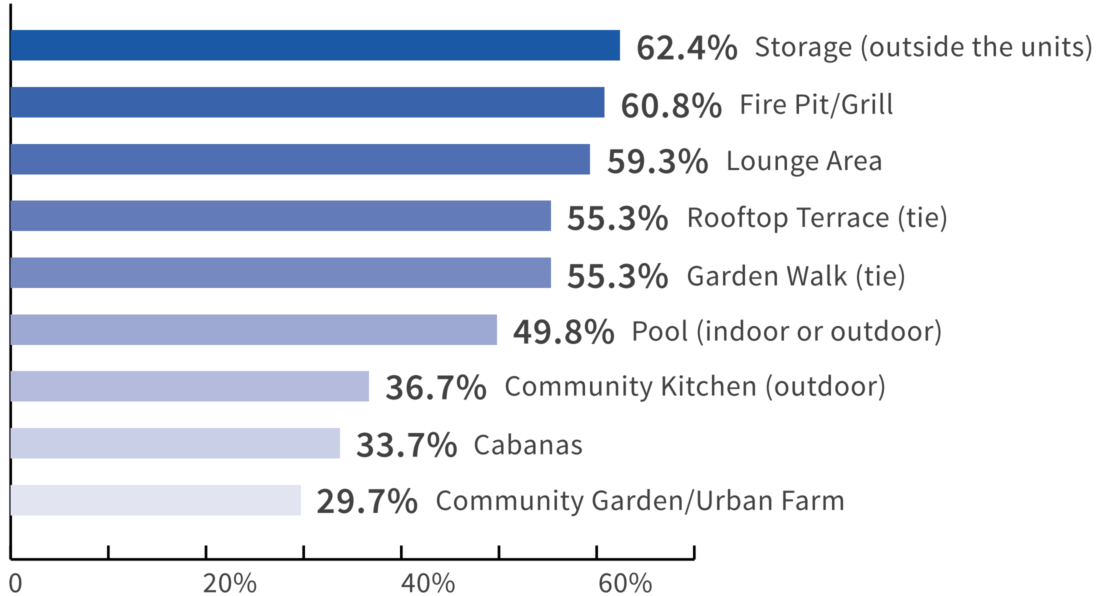
Source: *Multifamily Design + Construction* Audience Survey, June-July 2017

Design professionals made up nearly half of all respondents. Additional representation came from owner/developers and construction professionals. “Others” include Consultants (7.0%) and Facility Managers (1.9%). The respondent group is broadly representative of the audience for *Multifamily Design + Construction*. Almost all respondents (97%) were from the U.S. and Canada.

RESPONDENTS REPRESENT THE PROFESSIONS INVOLVED IN MULTIFAMILY DESIGN AND CONSTRUCTION IN THE U.S. AND CANADA.

MULTIFAMILY AMENITIES by the numbers

OUTDOOR AMENITIES

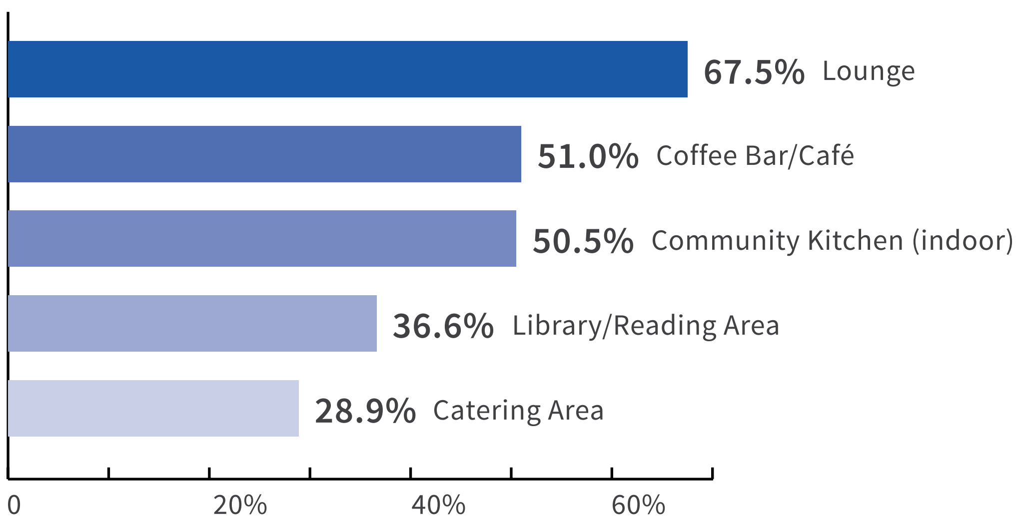


A substantial percentage of respondents (62.4%) had provided additional storage space or lockers outside the living units—a strong indication that tenants and condo owners crave extra space for their stuff. Respondents also stated they had provided a wide variety of “other” outdoor amenities to guests: outdoor movie screens (17.6%), Jacuzzis (17.1%), and catering pantries (11.1%).

n = 199

Multiple responses permitted

INDOOR AMENITIES



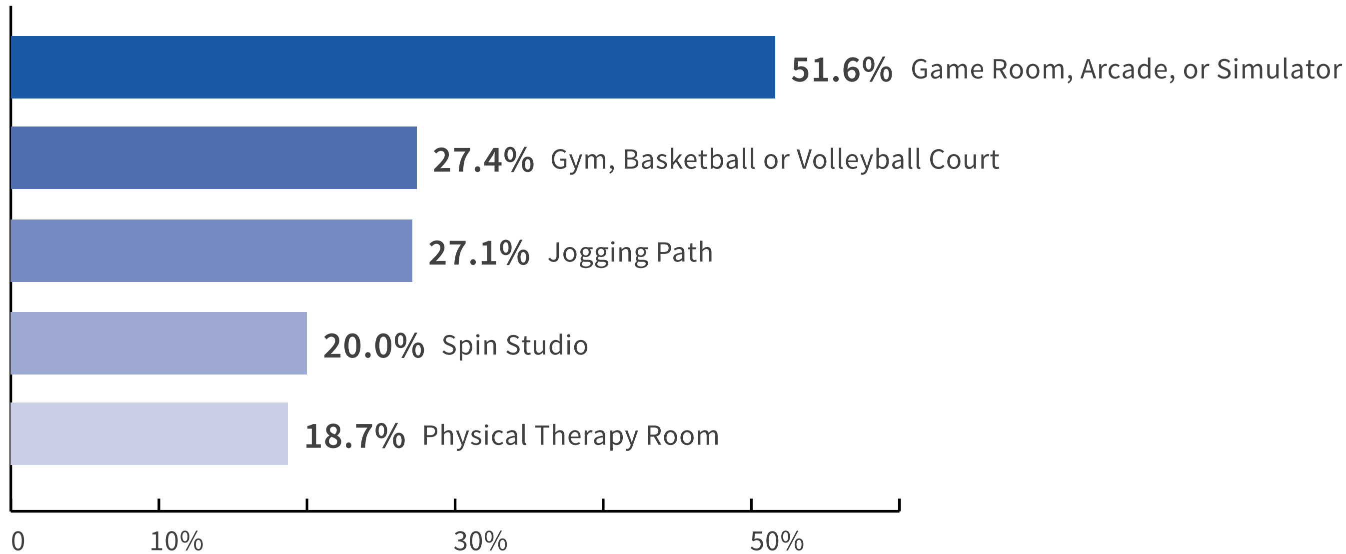
Two-thirds of respondents (67.5%) said they had included a lounge in a recent apartment or condominium project—a relatively easy amenity to supply, which raises the question, Why not 100%?

Half of respondents included a café; ditto for a community kitchen. Additional indoor amenities: video/film screening room (20.6%), music-rehearsal-performance room (12.9%), and—perhaps an up-and-coming offering—wine cellar/wine storage on site (15.4%).

n = 194

Multiple responses permitted

RECREATION AMENITIES



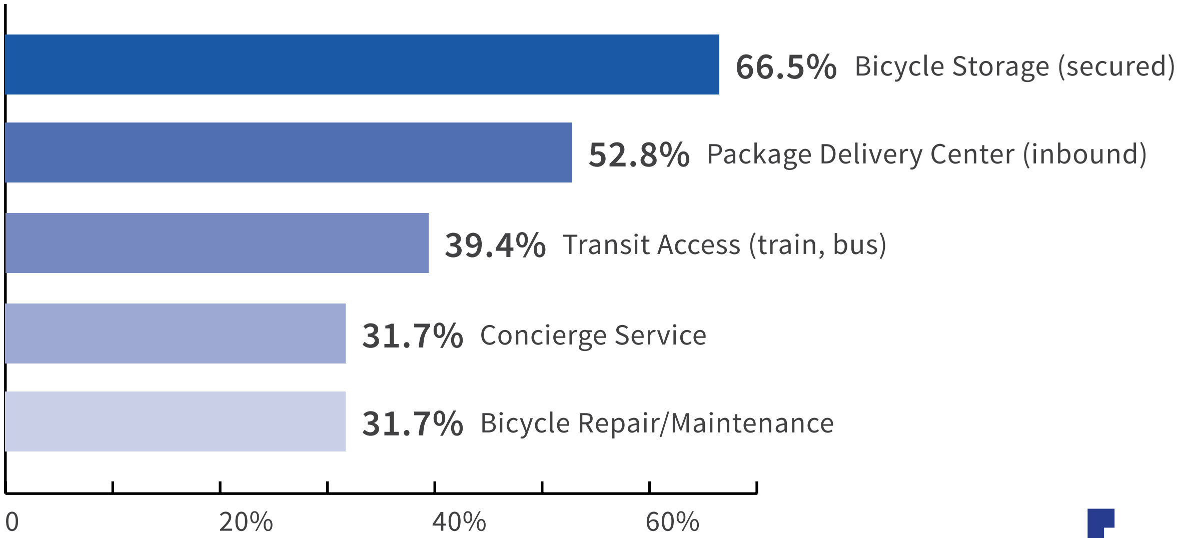
n = 155
Multiple responses permitted

Games, games, games! Half of respondents to this question had provided some sort of gaming setting. There was a falloff in more active spaces such as sports courts or jogging paths (tied at about 27%). The nearly one in five (18.7%) providing space for physical therapy was somewhat unexpectec; perhaps PT is thought of as a health and wellness benefit.

“Other” recreation amenities: tennis court (10.3%), climbing or bouldering wall (7.1%), and racquetball or squash court (3.9%). Some respondents to this question may have been thinking of “wellness” as a component of “recreation” (see Chart 6, Health + Wellness).

[YOU’RE MISSING THE BOAT IF YOU’RE NOT NOT OFFERING SOME KIND OF ‘GAMES’ ACTION IN YOUR PROJECT.]

CONVENIENCE SERVICES



n = 142
Multiple responses permitted

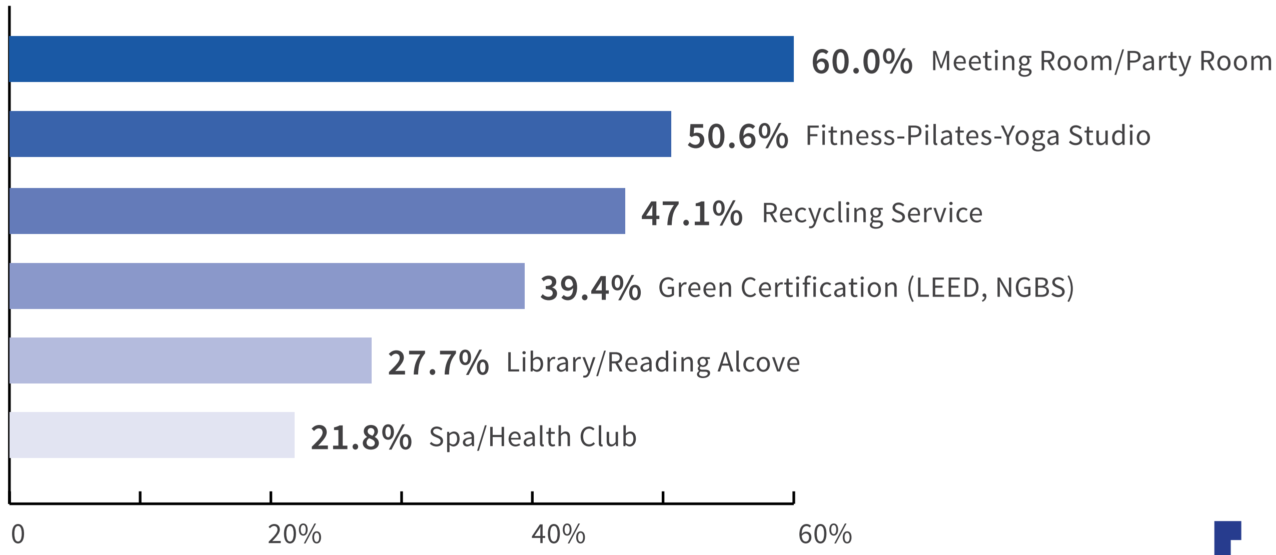
PROVIDING TENANTS AND CONDO OWNERS WITH THE MEANS TO ACHIEVE GREATER MOBILITY IS A TOP PRIORITY.

Mobility is on the minds of multifamily developers and designers. The need of bicyclists for secure storage is being met by two-thirds of respondents; about one-third are providing repair and maintenance services, while one-fifth (20.4%) said they're offering bike sharing. A similar cluster (19.0%) said they're providing car-share services (e.g., Zipcar). A remarkable number of respondents (17.6%) said they have created waiting areas for shared-rise services (Uber, Lyft), but these may just lobbies or other weather-protected areas. A substantial group, about two-fifths (39.4%), have built ("within a short walk" of bus or rail transit.

Handling the explosive load of packages (Curse you, Amazon!) is another huge concern for developers—and their designer teams. The majority of respondents (52.8%) said they're providing collection and distribution of inbound packages. A much smaller group (16.2%) said they've offered outbound shipping. (For more on package centers, see: BDCnetwork.com/PackageCenters.)

Other convenience offerings: dry cleaning/laundry service (18.3%), valet parking (12.0%), beauty services (6.3%), boat-kayak-canoe dock (6.3%), and medical-dental services (2.8%). A convenience store in the building was offered by only one in 10 respondents (10.5%), probably due to the availability of existing convenience retail in the neighborhood.

HEALTH + WELLNESS



n = 170
Multiple responses permitted

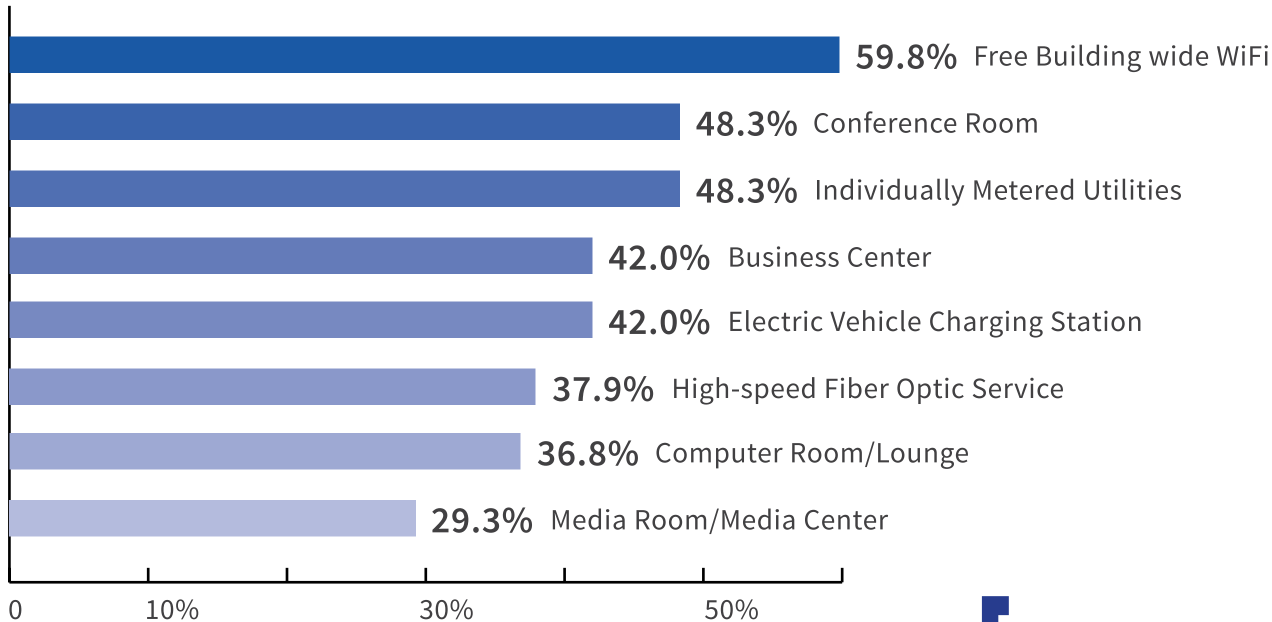
INTEREST IN WELLNESS CERTIFICATION IS SURE TO PICK UP IN THE NEXT FEW YEARS.

Traditional amenities like meeting/party rooms (60.0%), reading nooks (27.7%), and some sort of workout studio (50.6%) drew expected response from respondents—although more than one in four (28.2%) also said their projects had provided yoga, aerobic, or wellness classes. Individual respondents also said they had installed meditation rooms and dance rooms.

"Green" concerns like recycling (47.1%) and sustainable building certification under the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating program and the NAHB's National Green Building Standard also seem to be popular with a core group (39.4%) of multifamily developers and designers. It is also the case that many developers and designers routinely include energy- and water-conserving components, such as Energy Star and WaterSense appliances, without necessarily seeking formal green certification.

Less popular (but worth tracking on your radar): building-wide water purification systems (16.5%), wellness or feng shui gardens (14.7%), and cooking classes or chef demonstrations (14.1%). Only a handful of respondents (3.5%) said they had pursued wellness certification (such as the relatively new WELL standard), but this is likely to increase in coming years due to consumer concerns about indoor air quality and the connection to household-related illnesses like allergies.

BUSINESS SERVICES



n = 174
Multiple responses permitted

LOOK FOR CO-WORKING, SHARED SPACES, AND INNOVATION CENTERS TO COME TO APARTMENT COMPLEXES GEARED AT YOUNGER TENANTS.

Nearly three-fifths of respondents (60%) had included free WiFi in a project in the last 24 months; this trend will surely accelerate in the near future as free WiFi becomes more or less a given for marketing purposes in the multifamily arena.

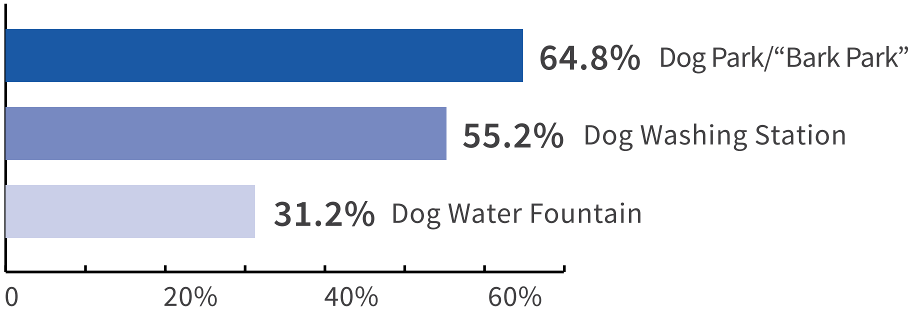
Smart technology like individual metering (48.3%), electric vehicle charging stations (an encouraging 42.0%), and fiber optic service (37.9%) are clearly catching on with developers and designers. Nearly one in four (24.7%) have placed a smart home system (such as Nest) into a project. More than one in five (21.3%) respondents said they had built phone-charging stations into their complexes.

Some brave pioneers are experimenting with exciting new concepts like co-working spaces (27.6%) and so-called “maker spaces,” innovation centers, or incubator spaces (10.9%).

Is this movement toward individualized smart technology a signal that the days of the “computer room” or business center are numbered? Think about this: What could you do with that valuable found space?

MULTIFAMILY AMENITIES by the numbers

SERVICES FOR PETS

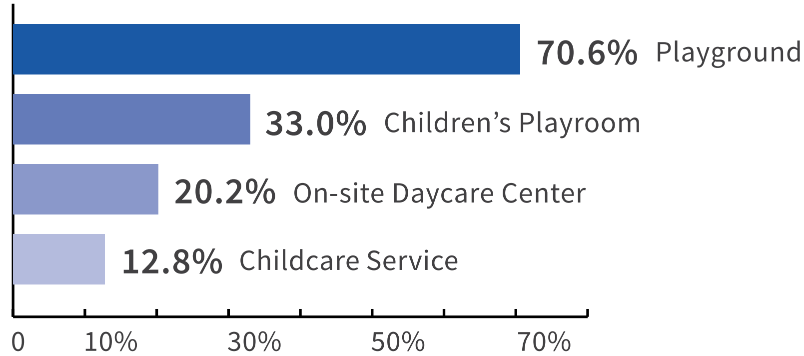


n = 125
Multiple responses permitted

Apartment and condo projects are going to the dogs. Nearly two-thirds of respondents said they had designed a “bark park”; most (55.2%) also provided pooch-washing stations. Less used currently (but sure to gain hold): dog walking services (12.0%) and pet grooming services (7.2%). Overnight care for pets, which drew only a handful of responses (3.2%), is unlikely to be provided on sit, but developers may arrange deals with local providers as a convenience to residents.

Something to ponder: Can we be far from the day when larger multifamily complexes will have on-site veterinary services?

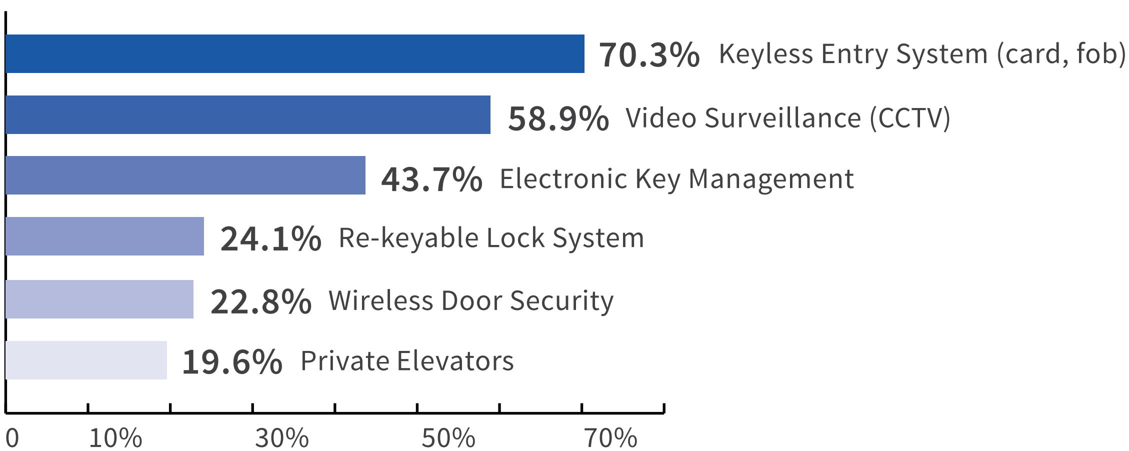
CHILDREN’S SERVICES



n = 109
Multiple responses permitted

Total response was relatively low (n = 109), possibly because respondents may have had projects that either did not permit children (senior housing) or did not target families. A remarkable one-fifth (20.2%) of respondents had designed in on-site daycare facilities.

SECURITY SERVICES



n = 158
Multiple responses permitted

Only a handful of respondents (3.8%) had installed biometric, iris-recognition, or voice-activated security systems. Only 8.0% offered secured storage for boats, kayaks, or canoes—probably depending on access to a body of water.

OOPS! THE AMENITES WE MISSED

We thought our list of amenities was pretty comprehensive, but designers, developers, consultants, and builders apparently have been providing an even grander menu of extras than we were aware of.

Here's a rundown of additional goodies our respondents have spec'd into their apartment and condominium work. A few unusual ones are market in **color**. Check all those you might want to consider for your next rental or for-sale project:

- ❑ Art park
- ❑ Baby buggy storage
- ❑ Bar
- ❑ Bocce court
- ❑ Bowling alley
- ❑ Billiards/Pool tables
- ❑ Car wash
- ❑ Cornhole (bag-toss game)
- ❑ Dance room
- ❑ Gazebo/Pavilion
- ❑ Horseshoes
- ❑ Meditation room
- ❑ Mini-soccer
- ❑ Pickleball
- ❑ Private entries
- ❑ Putting area/Putting green
- ❑ Restaurant
- ❑ Sauna/Steam room
- ❑ Shaded dining area
- ❑ Shared office/Work share
- ❑ Sky garden
- ❑ Tutoring
- ❑ Virtual reality room
- ❑ WiFi lighting control
- ❑ Water park
- ❑ Water softener system
- ❑ Workshops

PHOTO COURTESY USAPA/Tom Gottfried

Everything you ever wanted to know about PICKLEBALL

In case you didn't know (we didn't, until it came up as a response to this question), *pickleball* (according to the USA Pickleball Association) combines elements of tennis, badminton, and ping-pong. It's played with a paddle and a plastic ball with holes, indoors or outdoors, singles or doubles, on a badminton-sized court with a modified tennis net.

If you haven't installed one already, maybe there's a pickleball court into your future.

AMENITIES WITH THE MOST MARKET APPEAL

To get a glimpse into the future of multifamily amenities, we asked respondents:

IN YOUR EXPERT OPINION, WHICH AMENITIES WILL BE IN SIGNIFICANTLY GREATER DEMAND IN THE MULTIFAMILY MARKET OVER THE NEXT 2-3 YEARS?

More than 100 responses were recorded. (Many items cross category boundaries.) Check those you might want to consider for your next multifamily project:

Note: Number after item indicates total mentions for that amenity.

OUTDOOR AMENITIES

- ❑ Communal uses for young people ("meeting grounds")
- ❑ Community parks and public spaces
- ❑ Community spaces with fire pits/grills (2)
- ❑ Community/urban farm (2)
- ❑ Community working space
- ❑ Covered parking
- ❑ Curb appeal
- ❑ Large lot parking for autos
- ❑ Outdoor cooking, grilling
- ❑ Outdoor green spaces to work out
- ❑ Outdoor kitchens for entertaining
- ❑ Outdoor living spaces (4)
- ❑ Outdoor recreation facilities (2)
- ❑ Outdoor space devoted to nature/gardening (2)
- ❑ Pool (2)
- ❑ Roof/outdoor area
- ❑ Rooftop terraces, gardens, and exercise areas (5)
- ❑ Rooftop decks with water features, fireplaces
- ❑ Running/walking paths on site
- ❑ Solar carports
- ❑ Storage (3)
- ❑ Storage with workspace
- ❑ Storage: 'Gear garage' to accommodate bicycles, skis, outdoor equipment

There is a pattern here that goes beyond the usual (parking, pools, curb appeal, extra storage outside the living space): a striving to create a sense of community, particularly with a connection to the outdoors. Developers and their design teams are searching for physical mechanisms to get tenants or unit owners out of their individual living spaces and bring them together, whether on the rooftop of a mid-rise urban complex or in a community garden in a senior complex. "Community" can be a powerful factor in initial marketing and long-term customer satisfaction and retention.

INDOOR AMENITIES

- ❑ Catering room
- ❑ Common lounge area (4)
- ❑ Indoor basketball court
- ❑ Indoor tennis court
- ❑ LED lighting
- ❑ More diverse spaces for socializing
- ❑ Multipurpose rooms (furnished) – available to rent for parties
- ❑ Personal washer-dryer

Indoor places of congregation and interaction were also deemed important by respondents. An indoor basketball or tennis court may seem ambitious, unless (as one respondent suggested) the court can double as private function room for rent.

AMENITIES WITH THE MOST MARKET APPEAL

CONVENIENCE AMENITIES

- ❑ Access to multi-modal transit
- ❑ Bicycle storage/repair (3)
- ❑ Bike share (2)
- ❑ Buggy share
- ❑ Car share (2)
- ❑ Concierge (4)
- ❑ Connection to city greenway transit/light rail
- ❑ Craft coffee vending
- ❑ Electronic package lockers
- ❑ Food delivery and storage (2)
- ❑ Package reception services (2)
- ❑ Package center (outbound shipping)
- ❑ Proximity to offsite amenities: parks, restaurants, stores, etc.
- ❑ Ride share
- ❑ Social and convenience services
- ❑ Tea-coffee-juice bar (2)
- ❑ Transit schedule
- ❑ Uber/Lyft station
- ❑ Valet parking

Enabling renters and condo owners to get around easily and safely—by bicycle, walking, ride share, or transit—was seen as an important factor in future projects, according to survey respondents. Managing package deliveries, including food, will become increasingly important as online shopping continues to expand.

['GAMIFICATION' - PITTING ONE GROUP OF BUILDING OCCUPANTS VS. ANOTHER ON RECYCLING OR HOW MUCH ENERGY THEY CAN SAVE - MAY BE A COMING TREND.]

HEALTH + WELLNESS + QUALITY OF LIFE

- ❑ Anything serving modern urban seniors
- ❑ Boxing facilities
- ❑ Community garden
- ❑ Cooking classes
- ❑ CrossFit
- ❑ Economy construction for elderly occupancy
- ❑ Fitness classes
- ❑ Fitness rooms with on demand training classes
- ❑ Gamification for energy conservation and quality of life
- ❑ Gathering space
- ❑ Green/horticultural spaces
- ❑ Green (LEED-based) design
- ❑ Green rooftop spaces
- ❑ Groomed Nordic track
- ❑ Group activity (sports, media, movies, or social interactions)
- ❑ Health/fitness facilities (5)
- ❑ Healthy vending
- ❑ Indoor air quality
- ❑ Non-toxic, low-polluting materials
- ❑ Outdoor fitness areas
- ❑ Personal fitness training (2)
- ❑ Services to help seniors get around and live comfortably
- ❑ Walking/Jogging trails
- ❑ Wellness (4)
- ❑ Wellness centers instead of community centers
- ❑ Wellness/Heathcare on site
- ❑ Zen gardens

Take "fit-," "well-," and "green-" and just add "-ness," and you've got the key words that developers and their design teams are pondering for their upcoming projects. These concepts fit well with those considered important among "outdoor" amenities—anything that gets occupants off their duffs and moving. One that caught our editorial eye, "healthy vending," would seem to be easily implemented, and at reasonable cost (possibly even a moneymaker).

AMENITIES WITH THE MOST MARKET APPEAL

BUSINESS SERVICES

- ❑ Business center
- ❑ Co-sharing
- ❑ Co-working amenities
- ❑ Co-working space (5)
- ❑ Flexible workspaces
- ❑ Maker spaces/Workshops
- ❑ Shared spaces
- ❑ WeWork

Respondents' interest in co-working and other kinds of shared spaces—even so-called "maker spaces"—points to a possible new trend in apartment design, although it may not be as suitable for condominium projects. With more people working from home via their smartphones and laptops, the need for more sophisticated shared spaces to supplement the living space may be on the rise.

TECHNOLOGY

- ❑ Battery storage
- ❑ Energy efficiency
- ❑ Environmentally friendly buildings
- ❑ EV charging station (7)
- ❑ Full electronic amenities
- ❑ Faster Internet
- ❑ Green initiatives (energy conservation)
- ❑ Integrated shades, thermostat, lighting, and door locks
- ❑ Integrated technology via cell phones
- ❑ Internet of Things (IoT)
- ❑ Micro-apartment complexes
- ❑ Multimedia centers
- ❑ Natural water filtration via ponds
- ❑ Smart home (4)
- ❑ Smart home tech – solar
- ❑ Solar shades
- ❑ Solar/wind generator and batteries
- ❑ Solar, wind, geothermal
- ❑ Sustainability features
- ❑ Tankless hot water heater
- ❑ Technology-based services for conference rooms, individual workstation areas
- ❑ Tesla
- ❑ Whole-apartment smart system
- ❑ WiFi (free or paid) (5)

Smart home technology, environmentally sensitive design and operations, and electric vehicle charging stations were high on respondents' list of amenities that will be in greater demand in the next few years. "Tesla" probably refers to Tesla's fuel cell storage system for homes and buildings. "Micro-apartments" will also demand intense concentration of IT services to make tight spaces workable for occupants.

[INTEREST IN ELECTRIC VEHICLE CHARGING STATIONS IS SPIKING - A CHEVY VOLT IN EVERY PARKING SPACE?]

PET AMENITIES

- ❑ Dog parks (8)
- ❑ Dog wash/spa (3)
- ❑ Pet garden
- ❑ Pet services (3)
- ❑ Pet walking area or trail (3)

In the apartment/condo scene, "pets" really comes down to one thing: dogs. One apartment developer in Chicago, Fifield Realty, sponsors "Doga" classes—yoga with your dog. For "Howl-o-ween," Fifield's NEXT property threw a splash party for 30 or so resident pooches before closing the pool for winter. What will the next few years bring us in new canine amenities and services? Undoubtedly doggie fashion shows, sponsored by Poochie, of course.

CAN YOU SAY 'WOOF WOOF!!!'? FIDO-RELATED AMENITIES ARE ALL THE RAGE. IS THERE ROOM FOR A 'NO PETS' RENTAL COMPLEX IN YOUR MARKET?

AMENITIES FOR CHILDREN

- ❑ Childcare
- ❑ Child-friendly amenities
- ❑ Children's playroom
- ❑ Playlot

Sad to say, the needs of families with children were not high on the list of survey respondents, perhaps (as noted elsewhere) because many are involved in senior housing. The respondent who listed "childcare" did not state whether this was in reference to proving on-site childcare facilities, or just access to childcare services.

SECURITY MATTERS

- ❑ CCTV
- ❑ Greater security and associated technology (2)
- ❑ Improved outdoor lighting and security cameras
- ❑ Keyless and WiFi connectivity to other buildings and amenities
- ❑ On-site security
- ❑ Patio-door safety issues
- ❑ Security and access systems
- ❑ Security (5)
- ❑ Security systems with keyless entry (2)

Respondents expressed concerns about security—as one stated, "Anything to do with security, whether real or imagined." One respondent expressed concern about the safety of patio doors—an issue we thought had been resolved a long time ago.

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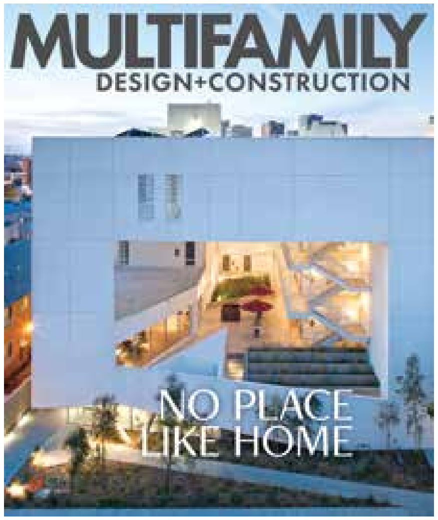

INSIDE THE FALL 2017 ISSUE

- Housing homeless veterans
- Profile of a five-generation multifamily firm
- Security tips from top experts
- Converting a church into condos
- Exciting new projects, products

Coming in 2018!
Four Big Issues – March, June, September, and November