

# How Are CRE Owners Bringing Tenants Back to Beverly Hills and West LA Offices?

Article By:

Spencer B. Kallick

---

Two years into the COVID-19 pandemic, most employees have returned to work in the office at least part-time. Yet, more than one-quarter of employees are still working remotely full-time, raising questions from property owners about what it will take to encourage tenants to return to their buildings.

Spencer Kallick, a partner at Allen Matkins, moderated a panel at Bisnow's Future of Beverly Hills and West Los Angeles event to discuss how commercial real estate owners are bringing tenants back into local offices. Panelists included Dennis Cruzan, founding partner of Cruzan; Kent Handleman, senior vice president at Lincoln Property Company; Jonathan Lange, senior vice president at Boston Properties; and Matt Perlmutter, first vice president at CBRE. Several trends emerged through the conversation.

## MEETING TENANT NEEDS IN A POST-COVID WORLD

The panelists agreed that tour activity in Beverly Hills and West Los Angeles has increased over the last year, signaling interest in office space. Firms want people back in the office for various reasons, and they are looking for spaces they can use to entice employees to choose to work from the office instead of home. However, they also noted that one firm's office space needs might differ from one in another industry. Nevertheless, they have a common desire to level up on quality and an interest in the amenities the building offers.

## OFFICE SPACE LOOKS DIFFERENT TODAY THAN IT DID BEFORE THE PANDEMIC

The pandemic accelerated some trends already in place, notably an interest in open and outdoor concepts. For years, tenants have preferred space with natural light and air, and these features have taken on greater importance in the wake of the pandemic. At the same time, the work-from-home movement proved that employees can still be productive without having all team members working on-site at the same time. This requires technology to support this type of work environment, so that team members can still work together whether they're in the office or working remotely. This may require more robust technology than what has been available.

## **BUSINESS OWNERS WANT CREATIVE WORKPLACES**

Tenants have accepted that today's office workspace will not look the same as before the pandemic shifts. Some firms have called back all of their employees to the office, while others don't see the need to have everyone present at the same time. This is one reason they're showing more interest in offices built out for flexibility. Open spaces will make customizing to meet changing needs more flexible, including a shift to a hybrid workplace. This interest in customization may also be creating new opportunities for functionally challenged spaces in an area where new construction can take years to complete.

## **THE OFFICE IS MORE THAN A PLACE TO WORK**

As tenants recognize the office is more than a place to work, they are looking for ways to give people a reason to be there. Working from home is comforting and convenient, and employers are starting to ask why the office can't have a similar appeal, like the ability to grab a quick workout between conference calls or engage in a quick game for a brain break. Landlords have been adding entertainment like ping-pong tables, fitness equipment, and food catering to give employees places to recharge and connect with co-workers. For property owners, one of the significant questions to ask is how the office can make life easier for the people working there, some of whom are commuting long distances to get to work. When choosing amenities, consider the value they add.

## **THE FUTURE OF OFFICE CONTINUES TO EVOLVE**

Los Angeles is still one of the top markets in the country because location matters. Despite the number of companies relocating to states like Texas and Florida, plenty of interest in L.A. remains from people who want to be close to the action. Supply continues to be a challenge for the local market, yet the panelists agreed that demand should continue to increase. At the same time, there is an increasing interest among tenants in building community and connection at work. Tenants are looking at more than the structure and asking questions about how property owners operate their buildings. Forward-thinking property owners are anticipating and adapting to these evolving needs.

© 2010-2025 Allen Matkins Leck Gamble Mallory & Natsis LLP

---

National Law Review, Volume XII, Number 95

Source URL: <https://natlawreview.com/article/how-are-cre-owners-bringing-tenants-back-to-beverly-hills-and-west-la-offices>