



THE HOLLYWOOD PARTNERSHIP

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HOLLYWOOD MARKET SHOWS SIGNS OF RECOVERY IN FIRST QUARTERLY REPORT OF 2021

Hollywood sees a 400% Increase in Housing Unit Absorption and a 61% Increase in Pedestrian Traffic on The Iconic Hollywood Walk of Fame

HOLLYWOOD, CA (APRIL 30, 2021) – Hollywood sees growth in the first quarter of 2021 as the rental industry booms, tourists return and local business reopen their doors. Today, The Hollywood Partnership (The HP) releases its 2021 Quarter 1 Market Report, presenting data and information about the greater Hollywood area market, and its commercial core, the Hollywood Entertainment District (HED) area.



Designated a Regional Center by the City of Los Angeles, Hollywood is a vital economic generator, home to tens of thousands of businesses, residents, and jobs. Hollywood's resurgence continues, as over \$2.1 billion worth of new investment is either under construction or entitled within the HED.

As the City of Los Angeles sees a decrease in COVID-19 cases, increase in vaccinations and the easing of quarantine restrictions, optimism takes hold of every sector from housing to business and beyond. Notable trends featured in the Quarter 1 Market Report include:

- **Travel:** A **61% increase** in pedestrian counts from January 2021 to March 2021 along the tourist hot spot, The Hollywood Walk of Fame, is evidence of a rise in traveler

confidence. Overall, pedestrian activity throughout the HED has **rebounded to 56%** of pre-pandemic norms.

- **Hospitality:** Hollywood's hospitality market demonstrated positive signs of recovery as travel restrictions eased throughout the state. A **22% increase** in hotel occupancy in Q1 compared to Q4 2020 and a **14.29% increase** in RevPAR from \$44.16 in Q4 2020 to \$50.47 in Q1 has brought life back to our streets.
- **Residential:** With a vacancy rate reduced to 10.4%, demand for Hollywood living continues to climb. In Q1, a total of 196 units were absorbed - a **400% increase from Q4 2020**. On the construction side, Hollywood Arts Collective broke ground in Q1 and will add 232 affordable housing units to the community. Approximately 700 residential units are expected to be completed by the end of 2021.
- **Retail:** The HED sees a **total of 86%** of the available ground floor retail inventory occupied by operational businesses. In Q1 2021, Hollywood welcomed four new retail businesses, most notably a Target at 7021 Hollywood Boulevard, and celebrated the re-opening of local retailer Amoeba Music in their new home at 6200 Hollywood Blvd.
- **Business:** While the office market is slower to rebound with companies and employees electing to continue working from home or establishing hybrid schedules, overall asking rents and Class A asking rents held steady at \$4.80 relative to Q4 2020.

"While the global pandemic was challenging for all sectors in the Hollywood market, a new day has dawned and many businesses are ramping up for a busy summer," Davon Barbour, The HP's Vice President for Advocacy and Economic Development, said. "As more and more folks become vaccinated and feel safe venturing back out into the public realm, our businesses stand ready to provide the experiences and essentials in Hollywood that people have missed over the past thirteen months and are eager to return to this summer."

Kristopher Larson, President & CEO of The HP added, "We are encouraged by the steady signs of progress showcased in our Q1 2021 Report. As an organization, we are thrilled to be able to aggregate dozens of sources of data to paint a timely, accurate, and comprehensive picture of the economy and the market's rebound as we move through this next phase of the pandemic. The easing of restrictions and return to life on the boulevard are encouraging signs of better days to come."

To download the full report, click here: https://ctycms.com/ca-hollywood/docs/210430_hp_q121_final2.pdf

About The Hollywood Partnership

The Hollywood Partnership is a non-profit, 501 (c) 6 established to manage the Hollywood Entertainment District Property Based-Business Improvement District (HED BID). In 2018, the HED BID was renewed for a period of ten years and its geographic area stretches along the world-famous Walk of Fame and spans historic Hollywood Boulevard, from the La Brea Avenue Gateway on the west, through the iconic Sunset Boulevard, to the Hollywood 101 Freeway on the east. Many of Hollywood's famous landmarks are located in the HED – the epicenter of the entertainment capital of the world and birthplace of the movie industry. For more information, visit <http://www.hollywoodpartnership.com>.