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## Studio Spaces, the Hot New Investment Niche

| By [Kelsi Maree Borland](#)

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Andrew Kirsh is a founding partner at Sklar Kirsh.

LOS ANGELES—L.A. has always been known as the entertainment capital, but recently, there has been an uptick in demand for studio spaces from both owner/users and investors. The growth of content-driven platforms has revived demand for studios in Hollywood from a variety of users, not only entertainment or production companies. The recent sale of a former **CBS Studio** in Hollywood attracted tons of interest and highlighted the surge in demand.

“The dramatic increase in streaming platforms such as Netflix, Amazon and others, parallels the demand for studio facilities for this content to be made,” **Andrew Kirsh** of **Sklar Kirsh**, who served

as representation in the deal, tells GlobeSt.com. “L.A. is supply constrained, so it’s challenging to build studio facilities. The ones that are already in existence is in greater demand than ever before, and there is a new trend of transforming industrial and warehouse space into studio facilities. It’s red hot as the end consumer’s need for content rises on an annual basis.”

Kirsh has specifically seen an increase in demand from investors who see an opportunity to rent the facilities to independent studios. “Other than the large studio companies such as Paramount, Warner Bros, most of the owners of these independent studio facilities are owners or investors who see this as a profitable investment class,” he says.

While Hollywood is a hotspot, studio demand is prevalent throughout Los Angeles, or as Kirsh says, “wherever there is space that is suitable for this use and is in close proximity to the talent, writers, producers.” He adds, “Obviously, anywhere around Hollywood, but we have also transacted in Valencia and Manhattan Beach.

The CBE Studio is located in Valencia and traded hands for \$19 million.

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