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Is Cannabis A Modern Gold Rush For California Real Estate?



Keith Flamer Senior Contributor 

Writer, pop culture virtuoso and luxury lunatic



Rapper Snoop Dogg, a cannabis advocate, shows his love for California's new law with a heart-shaped exhale. (Seth McConnell/The Denver Post via Getty Images) GETTY

If you turn your nose up high enough, you'll catch whiff of a new trend blowing through Los Angeles' high-end real estate. Cannabis. Yep, the controlled substance the federal government hates and select states love.



Cannabis is poised to shake up the real estate market. JASON WEISS/GUEST OF A GUEST

Cannabis is poised to shake the real estate industry to its foundation. Virtually mainstream, it has effectively shed its stoner reputation. Millennials are receptive to it (and less offended by it) while Baby Boomers and Gen-Xers progressively appreciate cannabis' undeniable health benefits for their aches and pains. Cannabis is no longer an underground stoner binge, it's a booming cottage industry rebranded for wellness. In real estate, if you build it (with cannabis), they will come.



Greenleaf Cannabis House is listed for \$3.5 million. NILS TIMM

In California, it's legal, publicly endorsed and unavoidable—no matter how nervous it makes corporate America, which should just *mellow out, man* (I don't do cannabis but I'm fluent in *Cheech and Chong*).



Cannabis is still disruptive and controversial. But controversy can be mined into gold (this is the Golden State, after all). A brave few are blazing this new trail like early prospectors during the California Gold Rush.



Greenleaf House offers an open-air ambiance and 5,600 square feet of living space NILS TIMM

Last weekend, two multimillion-dollar residences (“The Greenleaf House” in Sherman Oaks and Columbia Square Living in Hollywood) went rogue, tantalizing potential home buyers with an insurgent “cannabis extravaganza”—back-to-back open house parties staged with a myriad of cannabis products, food and experts in luxurious spaces.



Developer Ramtin “Ray” Nosrati’s future is building a multimillion-dollar “Marijuana Mansion” in Bel Air.
(Rendering) HUNTINGTON ESTATE PROPERTIES

Los Angeles developer Ramtin “Ray” Nosrati ([Huntington Estate Properties](#)) is building what he calls a “Marijuana Mansion,” an extraordinary Bel Air residence featuring a “[cannabis conservatory](#)” (a lounge) with an organic hydroponic cultivation gallery, custom lighting, gardening service and full ventilation. It will include biometric locks and a secret speakeasy-style bookshelf entrance, like the old days.



Screen grab animation of Huntington Estate Properties' speakeasy-style entertainment lounge hidden behind a bookcase. HUNTINGTON ESTATE PROPERTIES

“The legalization of cannabis allows me to add more amenities to our homes,” says Nosrati. “Luxury buyers want options and extras that enhance their lifestyle and have positive impact on the way they entertain and live.”



Screen grab animation of Ray Nosrati's entertainment lounge with wine room, aquarium and cannabis conservatory. HUNTINGTON ESTATE PROPERTIES

If buyers aren't sold on cannabis, Nosrati's lounges can be converted into custom, organic gardens. Expect more developers to follow his lead.



Developer "Ray" Nosrati (leader of the residential cannabis revolution) plans more mansions with cannabis lounges and organic gardens. HUNTINGTON ESTATE PROPERTIES

This was all made possible by California's 2016 Adult Use of Marijuana Act (Prop 64), which legalized recreational cannabis use and growing up to six plants in the home.



Screen grab animation of Huntington Estate Properties' future cannabis lounge estate, limited to six cannabis plants per California law. HUNTINGTON ESTATE PROPERTIES

California's economy may rebound on cannabis use by professional athletes and Hollywood entertainers alone. Snoop Dogg and Bill Maher may already have Nosrati on speed dial.



Cannabis infusion into residential real estate is expected to increase, fueled by millennials. JASON SEAN WEISS/GUEST OF A GUEST

Former NBA player Kenyon Martin suggests 85% of the league smokes marijuana and former tight end Martellus Bennett believes the brutally physical NFL tally is even higher (around 89%), violating official rules in both sports. Could legal cannabis be the reason why so many athletes want to play in California these days (eclipsing the sun)?



Gwyneth Paltrow's Goop lifestyle empire invests in wellness cannabis with products like vape pens, cannabis tea bags, etc. (AP Photo/Thibault Camus, File)

“Several Fortune 500 executives, professional athletes and celebrities here in California have reached out,” Nosrati says. “We’ve also received multiple calls from business managers for the rich and famous, with out-of-state and international clients, who are expressing interest.”



Renegade comedians Tommy Chong and Cheech Marin in the cult classic, 'Up In Smoke' in 1978. (Michael Ochs Archives/Getty Images) GETTY

This modern “cannabiz” gold rush has celebrities like Whoopi Goldberg, Gwyneth Paltrow, Mike Tyson, Joe Montana, Willie Nelson, and Richard “Cheech” Marin & Tommy Chong investing in a wide variety of cannabis products from pain relievers to beauty products to ice cream flavors.



Comedians Cheech Marin and Tommy Chong, who starred in 1970s stoner classics like 'Up In Smoke', are now cannabis ice cream entrepreneurs, promoting its health and dietary benefits. (Chelsea Lauren/WireImage) GETTY

In California and Colorado (where cannabis is also legal), commercial real estate firms eagerly help cannabis entrepreneurs secure space for retail stores, warehouses, dispensaries and cooperatives. This October, the National Real Estate & Cannabis Summit in Denver will help real estate agents understand this booming trend.



Greenleaf House in Sherman Oaks held the first cannabis open house in real estate history. NILS TIMM

Southern California real estate is a blood sport, but it's cautiously navigating this wildcard cannabis dynamic. The audacious, like Nosrati, are diving head first into the residential pool—marketing cannabis as beneficial, not taboo.



At Greenleaf House, a recent cannabis seminar trained 50 real estate agents how to harvest, cure and trim cannabis plants—preparing them for this changing market.



Greenleaf House features six bedrooms and seven-and-a-half bathrooms. NILS TIMM

[The Greenleaf House](#) is a six-bedroom, seven-and-a-half bath turnkey residence with 5,600 square feet of living space, a home theater, waterfall pool, spa, outdoor bar, 200-square-foot guest suite, and 250-square-foot backyard cabana—an ideal setup for *The Greenleaf Cannabis Laboratory Party*.



Greenleaf House backyard which hosted the cannabis cabana harvest. NILS TIMM

Promoted as a “sensory experience challenging everything you know about cannabis and real estate,” it’s the first known cannabis open house in real estate history.



Unfortunately, no one remembers how this party went down (just kidding). Throughout the \$3.5 million contemporary estate (aptly on Greenleaf Street), guests journeyed through “sensory laboratories” sponsored by [The Mota Group](#) (a private members club for cannabis creatives).



Chef Mike Magliano from Pantry prepares cannabis-infused snacks. JASON WEISS/GUEST OF A GUEST

They sipped kombucha cocktails, snacked on cannabis-infused edibles, crafted cannabis bouquets, indulged cannabis beauty products, snacked, enjoyed CBD cream massages, snacked, savored a “cannabis cabana” harvest, and snacked some more.



A variety of cannabis-infused edibles, including chocolates and gummies. JASON SEAN WEISS/GUEST OF A GUEST

“Imagine Soho House for cannabis,” says Rodeo Realty’s Ben Quibrera, Greenleaf’s listing agent. “Mota, with its early members and partners, was able to bring an elevated, high-minded experience to the real estate industry. It’s at the cutting edge of the cannabis revolution.”



Guests receive CBD massages from Mota crew, using Apothecanna creams. JASON SEAN WEISS/GUEST OF A GUEST

Word (or smoke signals) spread quickly. People casually walked in off the street, including a passerby family on its way to a cannabis dispensary (“true serendipity,” Quibrera says). This time, it wasn’t stoner or slacker radar. They were actually in the market for a luxury home too.



The Mota Group crew don lab coats in preparation for a "high-minded experience" and serious cannabis education at The Greenleaf Cannabis Laboratory Party in Sherman Oaks. JASON WEISS/GUEST OF A GUEST

“We generated such [social media] buzz that night—tons of calls, emails and requests to show the property over the weekend, followed by an offer Monday morning,” says Quibrera.



Listing agent Ben Quibrera organized the wildly successful Greenleaf Cannabis Laboratory Party open house.

JASON SEAN WEISS/GUEST OF A GUEST

[Columbia Square Living](#) produced a different cannabis experience in Hollywood—an elevated wellness rooftop pool party at the luxury rental tower, which has 200 renovated residences.



Tura Kombucha infused with CBD drops JASON SEAN WEISS/GUEST OF A GUEST

This Mota-sponsored wellness party for residents and non-residents explored how to infuse non-psychoactive CBD brands into everyday life, including natural mood enhancers, pain medicines, edibles, scents and bouquets.



Mota Group (a private cannabis club) curated the Greenleaf laboratory experience and Columbia Square Living wellness pool party with products such as these edibles from Pantry. JASON SEAN WEISS/GUEST OF A GUEST

“I’m fine being the only builder creating cannabis lounges,” says Nosrati. “If other developers want to ignore the health benefits associated with cannabis, that’s okay. They will eventually come around, since that’s what more homebuyers are asking for.”



Social media and word-of-mouth from open house passersby led to an immediate offer on Greenleaf House.
JASON SEAN WEISS/GUEST OF A GUEST

Whether this shifting cannabis landscape is a real estate earthquake or tremor remains to be seen. But anyone could see it coming, even through all of that smoke.

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Keith Flamer

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