

# See the Most Expensive, Extravagant Mansion in L.A.

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## The Making of the Most Expensive Mansion in History

### News & Culture

On a hilltop in Bel Air, a 100,000-square-foot gigamansion is under construction, for no one in particular. The asking price—\$500 million—would shatter records, but, as ridiculous as it sounds, in L.A.'s unbridled real-estate bubble, this house could be billed as a bargain.

High above Bel Air, Nile Niami is looking down on the tiny mansions of mere millionaires as he stands on a plywood platform that will soon be the roof deck of the house he's selling for \$500 million. When you expect a half billion dollars, everything has to scale up, including the views, and from this hilltop, they span 360 degrees—encompassing the San Gabriel Mountains, the Pacific Ocean, and, today, Niami's Rolls-Royce Phantom convertible, parked in the driveway below. The 47-year-old developer is taking it all in . . . and explaining why he believes the property is not really so expensive when you think about it.

From the Editors of *Details*

The home itself, when it's finished in 2017, will have five swimming pools, a casino, a nightclub with a VIP area, a lounge with [jellyfish tanks](#) in lieu of walls and ceilings, and various other amenities that might seem excessive at the Ritz-Carlton Abu Dhabi. It will be more than 100,000 square feet, twice the size of the White House. So the price works out to about \$5,000 per square foot, which, Niami notes, is less than half what several billionaires have paid for their casino-less Manhattan penthouses. "We have a very specific client in mind," says Niami, who is wearing a slim-fitting polo shirt and a Breguet watch. "Someone who already has a \$100 million yacht and has seven houses all over the world, in London and Dubai and wherever."

Niami rarely gives interviews, which is perhaps a wise choice. Brusque, blunt, and palpably cologned, he isn't one to make apologies about his new project's size or price tag. "To be able to say that the biggest and the most expensive house in the world is here, that will be really good for L.A.," he says. That's not necessarily a universally shared sentiment. He's been unpopular in Bel Air since last fall, when he sliced off the top of a hill in order to enhance the

panoramic vistas on the four-acre lot. For weeks, a convoy of dump trucks snaked up and down the narrow streets, removing approximately 40,000 cubic yards of dirt. And although Miami has avoided the public legal scuffles that have ensnared other high-rolling Los Angeles developers who build on spec (construction has been frozen on Mohamed Hadid's spaceshiplike megavilla nearby because of permit violations), this \$500 million listing has marked him as the embodiment of the market's unbridled extravagance.



The living and dining areas will open onto a courtyard with palm trees.

When the house's asking price was announced last May, some people figured it was an absurd marketing ploy, since if the property fetches anything close to \$500 million, it will obliterate the current world-record price of \$221 million, for a London penthouse. But absurdity is all relative in today's gigamansion market—particularly in L.A., where previous milestones such as the \$85 million sale of the 123-room Spelling manor in 2011 are beginning to look quaint. (That property is about half the size of Miami's, and its current owner, the British-born heiress Petra Stunt, reportedly put it on sale last year for \$150 million.) Right now, speculative developers in particular share one prevailing mantra: If you overbuild it, they will come.

The main thing to understand about L.A.'s growing crop of no-expense-spared spec homes is that they are not actually homes, in the usual sense of the word. Most buyers live on other continents and visit these properties for only a week or two each year, using them mainly as places to park their wealth. After all, in an era when a Cézanne painting can fetch \$250 million, a massive trophy estate in Bel Air might seem like a perfectly sensible investment to a billionaire sheik or oligarch who's looking to keep his money safe from a grabby despot back home. And sure enough, for these clients, "bigger" and "better" are generally synonymous. Last year, when Miami was selling a 32,000-square-foot manse in the Holmby Hills section of L.A., he discovered that, despite its four-lane bowling alley and indoor pool, many potential buyers wanted more parking and bigger staff quarters. "It only had a five-car garage, and everybody complained," he says.

No one can accuse Miami of ignoring the "go big or go home" ethos with the Bel Air property. As Drew Fenton, the

real-estate broker who has the listing, says, "It is by far the most important estate project in Los Angeles over the last 25 years and will raise the bar for all other estates built in the city." (It will also raise the bar for Fenton's future commissions, since even a 2 percent cut on this sale could earn him \$10 million.) One entire temperature-controlled room will be dedicated to storing fresh flowers. Marketing materials refer to the property simply as "The One," and in lieu of a standard virtual tour, Fenton has put together a slickly produced film, with dozens of real-life, green-screened models populating a lifelike digital rendering. It shows the urbane man of the manse pulling up to the front door in his red Ferrari LaFerrari and moving through expanses of marble and glass, from cigar lounge to billiards room to spa, while yoga-toned babes swim in clear-walled pools, cavort on the indoor-outdoor dance floor, and share laughs against a backdrop of neon-blue jellyfish. Part of the goal is to present L.A. as a seductive alternative to more typical billionaire havens like Monaco and Dubai and London, a city whose appeal Miami simply can't fathom. "I mean, what's in London?" he says. "The weather is horrible. I don't get it."

Miami, an L.A. native who was raised by his mother, a special-ed teacher, began his career in this town's other bastion of not-always-rational expenditures: the movie business. During the 1990s, he worked as an independent-film producer and at one point paid Steven Seagal \$10 million for a film called *The Patriot* that never secured theatrical release in the United States. But after realizing how hard it can be to make money as a producer, he found an outlet for his outsize entrepreneurial ambitions. Miami began dabbling in real estate, first remodeling small homes around L.A. and later building new condos from scratch. As a developer, Miami was unshackled, freed from the whimsical demands of actors, directors, writers, studios, and agents. "In the film business, you can't really control things, because there are too many hands in the pot," he says. "Here, it's just me."

Around 2008, he met Fenton, who clued him in on the burgeoning market of spec homes priced at \$10 million to \$15 million—a range that sounded astronomical at the time. "I said, 'Who buys a house for that?'" Miami recalls. He soon found out: cash-rich foreigners and entrepreneurs whose wealth is immune to such little-people problems as subprime-mortgage crises and stock-market swings. "For the \$5 million houses, the buyers still needed loans," he says. "But when you moved up to \$10 or \$15 million, it was guys who didn't have to rely on the bank."

Miami was one of the first big spec developers to take on the Bird Streets—the hilly enclave above the Sunset Strip that's been home to celebs like [Leonardo DiCaprio](#) and Halle Berry. In 2012, reports say, the Winklevoss twins paid him \$18 million for one of the "contemporary view" houses, with sliding glass walls, sleek waterfalls, and infinity pools, that have become Miami's trademark. At one point, Miami was building four houses simultaneously in the tiny neighborhood. "We were buying land for \$9 million, doing a remodel, and selling for, like, \$39 million," he recalls.

But soon Beverly Hills' hot Trousdale Estates section beckoned. Exact sales figures for the latest spec homes can be hard to pin down, since most are off-market "pocket listings" and nondisclosure agreements are routine. But in Trousdale late last year, the fashion tycoon turned developer Bruce Makowsky sold a new 23,000-square-foot place to Markus Persson, the creator of Minecraft, for \$70 million, setting a record for the area. Miami, who is building a property next door, has raised its price accordingly. "I'd figured mine was going to sell for about 40," he says. "But that one went for 70, so we're going to ask 90." When Miami takes me to that site, he points out the future "Cristal room," whose black lacquer shelves will feature a geometric display of champagne bottles of varying sizes, and the basement-level "wellness suite," which will include a hair salon with mirrors that double as TV screens.

Miami has a different off-market property in Trousdale with another apparent must-have: a spinning car turntable, similar to those in auto showrooms, that's visible from the living room. "So, while you're watching TV, you can see your \$3 million car," he explains. This place is comparatively small, at 14,000 square feet, but Miami is convinced it will fetch \$45 million. He mentions a celebrity couple whose real-estate agents keep calling. "They want to see it when it's done, because they're looking for a house that has privacy," he says. A few streets over is a new pocket listing (not a Miami development) that has Realtors abuzz: a teardown on two and a half acres, priced at \$135 million. Meanwhile, just across the hill from Miami's Bel Air house, construction is well under way on a 70,000-square-foot compound for a Qatari.

Miami's chief architect, a wry Irishman named Paul McClean, acknowledges that prices have become divorced from



reality. "The numbers right now are crazy, no matter how you look at them," he says. "But for most people who buy these kinds of houses, it's not a decision that they calculate based on price per square foot. It's more about the emotional draw. With Nile, we're trying to sell a lifestyle, a sense of how people imagine they would live." That's one reason Miami always sells his houses fully furnished and decorated, down to the Junior Mints in the screening room. (He gets what a certain client wants, and he's trying to apply that touch to worlds beyond real estate. He recently launched a social-media app, called [Wolfpack](#), for single straight guys looking for other dudes to hang out with. Miami got the idea when a newly divorced friend was at a loss for ways to meet people; the app links users with local poker sessions or bros with extra Lakers tickets. Miami has hired a small team to run Wolfpack, which is still building a membership but has already been featured on *Nightline*.)

For as much bravado as Miami has about this project, what he can't—or won't—say is equally intriguing. He doesn't know who sold him the massive Bel Air plot, which originally included a decrepit home that he promptly tore down. The secret transaction took place through a bank trust, and the owner remained anonymous (Miami declines to say what he paid). What he does know is that he managed to find room for almost every luxury amenity he could dream up—except a gun range. During our visit to the site in midsummer, the place is still a maze of steel beams and cement trucks, though it's already easy to see that the finished building will dwarf Hearst Castle. After showing me where the 40-seat screening room will be, Miami walks me through the master suite, which alone is 6,000 square feet—"but when you're in it, it doesn't look that big, because everything else is so big," he says. Next we explore the main level; the glass-walled library will have a double-height ceiling and be surrounded on three sides by water. Don't bother looking for first editions, however. "Nobody really reads books," Miami says, "so I'm just going to fill the shelves with white books, for looks." Stepping past the nightclub's outdoor lounge area where circular banquettes will seem to float next to a two-story waterfall, he says: "I really think that this house is going to do a lot for L.A. Anybody who lives in the area is going to be proud to be near it."

Actually, a number of them will be lobbying to prevent anything like it from ever being built again. Last year, longtime Bel Air resident Fredric D. Rosen, the former honcho at Ticketmaster, cofounded a homeowners' alliance and quickly raised more than \$750,000 from neighbors to help enact stricter limits on oversize homes. "What level of sanity would allow a house this big to be built, with a huge discotheque?" Rosen asks. "Anything over 20,000 square feet should be considered a commercial project." Even though Miami complied with locals' requests for tighter controls—flagmen to ease traffic flow, reduced hauling hours, etc.—Rosen and other critics contend that current building regulations are outdated and haphazardly enforced. (In some parts of the city, for example, there are height restrictions on new construction but nothing to limit excavation.) "We're not some crazy antidevelopment group telling you that your house should be gray or purple," Rosen says. "What this is about is, you can't put a size-eight foot in a size-five shoe."

But you can try. From Versailles to Hearst Castle, big-house builders have always relished barreling over—or veering around—any speed bumps that came between them and their Xanadu. This spring, thanks in part to pressure from Rosen's group, L.A.'s city council issued a temporary ordinance to limit hauling and reduce construction traffic while the planning board considers permanent, citywide restrictions. In Beverly Hills, meanwhile, Miami says, "there are so many ridiculous rules that they put into place, and that's why I'm not building in Trousdale anymore." As for the social and moral issues raised by the spread of resort-size, mostly unoccupied residences at a time of rampant inequality, Miami deflects the question, preferring to focus on the hundreds of local jobs that his projects have created.

Miami might just take his dump trucks and go play elsewhere. Lately, he's become convinced that the very spec boom he helped spawn has caused land in L.A. to become "ridiculously overpriced." And once he has his behemoth built, he's considering bringing his formula to Miami and Napa Valley—and even to regulation-heavy [San Francisco](#), where he's looked at property in Presidio Heights. In the Bay Area, the target buyers will be tech titans likely to use the houses as their main residences. Would it make Miami feel better to know that the owners of his mammoth masterworks will actually be living in them? "No," he says. "It doesn't make a difference as long as they pay the money."

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