

The Story of The Restoration

An Interview with J.R. Anderson, Vice President-Development, and Anders Anderson, Managing Director-Strategic Investments, The Restoration Hotel



The Restoration Hotel exterior (left); the Culture Library (above)

EDITORS' NOTE

J.R. Anderson is the Vice President of Development for Jeffrey R. Anderson Real Estate, Inc. He began his career in New York City at Bear Stearns & Co., Inc. handling mergers and acquisitions for insurance and lending institutions. He attended the University of Virginia where he graduated in 1994 with a B.S. in



J.R. Anderson

Finance and a minor in Japanese Language. In addition to his real-estate activities, he is also on the Board of Directors for other Anderson-owned entities including Universal Robotics.

Anders Anderson is Managing Director of Strategic Investments for Jeffrey R. Anderson Real Estate, Inc. He graduated from the University of Virginia with a B.S. in Sports Medicine before obtaining a Master's Degree at the University of Florida in Exercise Biochemistry. In 2002, he moved to Hollywood where he produced and directed several films.



Anders Anderson

we heard of someone who wanted to get out of a Charleston property in 2011 and we checked it out and bought it in 2012.

Anders: The hotel was called Restoration on King, and it was a 16-room boutique hotel and every room was a million-dollar condo.

The opportunity it offered was pretty incredible.

It's three street addresses – 75 Wentworth, 77 Wentworth, and 79 Wentworth. We love Charleston and were so excited to launch a fresh new perspective on tradition in that market.

J.R.: For \$10 million, we bought 75 Wentworth, which was the 16 condos that had been converted to a hotel, and 79 Wentworth, which was a vacant building that had development rights to build a seven-story structure.

In between the two was a property that was in bankruptcy and we negotiated with the bank to buy it. At the same time, we knew some of the tenants in that building so we were trying to work out a deal where the tenants would evict and we would convert the building.

We looked at the 16 rooms as an interesting play but when we got the middle building, we looked at it holistically and discussed how to make it an unbelievable property with a coffee shop, a rooftop, a retail store, and a great entrance that offers visitors a sense of arrival.

It allowed us to change how we looked at the initial purchase.

Anders: As we were building the project, we realized we were also going to have to find a way to bring all the buildings together so that it would appear totally seamless.

Being a family-run company, and being that intimate with our projects, it means we can pull off something like this in an interesting way.

Are you happy with how the message has gotten out about this property?

J.R.: We are. One of the biggest things for us was making sure we could tell the story behind the new Restoration in a cohesive way. Each new outlet and every design element has a carefully thought-out story behind it, and we're engaging new media to tell our story – social media, video, and creative marketing tools, like our Cultural Almanac.

We haven't even been open as The Restoration Hotel for a full year yet, so it will take us a few years to make sure people understand who we are and continue to evolve the story as an element of what we are as a brand and a hotel.

In Charleston, fine art is very popular, so we've spun that to where we have an artist-in-residency program that is all about photography. My mom has been affiliated with *National Geographic* for many years and photography is a big part of our lives. It's how we wanted to reinterpret the idea of putting fine art in a hotel.

We push out things like this to make sure people understand what we're really about.

Will you talk about the team you have built?

J.R.: As a smaller property, we can run it with a few key people. We don't micromanage but we expect our people to satisfy our guests. We encourage our people to make choices on the spot to make our guests happy.

Anders: We are focused on creating the same intimate feel that we love when we're traveling through Europe staying at small hotels.

We give guidance on energy and atmosphere, and how it should feel like we're bringing someone into our own home. We all have to make that experience genuine.

J.R.: We're all about making money but we also don't answer to investors, so the thought is to create the experience that makes us and our friends and family happy.

Did your experience with real estate translate into hospitality?

Anders: Yes. The focus was still on how to drive business, how to make the customer experience better, and how to build ourselves within the community.

J.R.: One of our biggest focuses is to always make sure we continue to put money back into the properties. The customer is getting more sophisticated and what we did five years ago doesn't work today. We have to continue evolving the story of our projects.

Are there more opportunities for growth for the business within hospitality?

J.R.: We'll focus on doing a few Restoration properties, but we're not just trying to make something profitable and sell it.

Opportunities are tough right now because we're looking at urban product and, ideally, something we can transform. In any case, that community feel has to be there. ●

PROPERTY BRIEF Under Anderson (anderson-realestate.com) ownership is The Restoration Hotel (restorationhotel.com). As Charleston, South Carolina's first boutique hotel and earning a AAA Four-Diamond rating, The Restoration Hotel is surrounded by upscale shops, restaurants, and the Antique District. In 2016, construction/renovation on adjacent buildings brought the boutique hotel to 54 unique rooms. The expansion includes a full-service spa, rooftop restaurant and bar, retail store, and coffee shop. The beautifully restored Charleston hotel property combines exemplary service, unique accommodations, and a historic setting resulting in a hotel that feels more like a fully furnished apartment with butlers waiting to serve.

How did you become involved with The Restoration Hotel and where does the property stand for the future?

J.R.: We're shopping-center developers, and that business started slowing down in 2008, so we started looking at what else we could do. We have a lot of properties in great locations, so we determined we wanted to add a hospitality component.

We had built a Courtyard Marriott and came up with a good team to manage that. At the same time,