



## Magellan Completes \$375M Investment Strategy

The company sold two Commerce, Calif. industrial properties for a total of \$77.6 million, finishing off its three-year investment, development and disposition value-add plan.

by IvyLee Rosario | Feb 14, 2018

The Magellan Group has sold two of its Los Angeles area industrial properties, located in Commerce, Calif., for \$77.6 million. These sales mark the completion of the firm's three-year, \$375 million investment, development and disposition strategy focused on value-add industrial and self-storage properties in infill Southern California locations.

*"As the economic recovery began to materialize towards the end of the Great Recession, we chose to concentrate our investment, development and disposition efforts on our existing and new infill investments that, while more difficult and costly to assemble, entitle and develop, would nonetheless provide outsized returns as the overall market improved,"* said Kevin Staley, principal at The Magellan Group, in a prepared statement.



Magellan Storage—Commerce, 5415 E. Olympic Blvd.,  
Commerce, Calif.

### PROPERTY FEATURES

Commerce Business Center, is located at 6801 East Gage Ave. and was purchased by Blackstone Property Partners, the Core+ business of Blackstone. The 290,000-square-foot industrial facility features three buildings, 263 parking spaces, 18-foot to 24-foot clear heights, refrigerated storage, sky lights, loading doors and insulated ceilings. The project included

90,000 square feet of new construction built by Magellan to meet demand for smaller tenant spaces.

The second property sold was Magellan Storage-Commerce, a 144,000-square-foot [self-storage facility](#) located at 5415 E. Olympic Blvd. Purchased by US Storage Centers, the asset features 1,348 units and was redesigned and redeveloped by Magellan from a former industrial building. Features include climate control, drive-up access, moving carts, electronic gate access, passenger elevators, RV and boat parking and video recording.

*“We intend to pursue reinvestment opportunities from these sales and continue the harvesting of other Magellan assets while adopting a growth strategy consistent with current and future market conditions,” Staley told Commercial Property Executive.*

NKF’s Executive Managing Directors Bret Hardy and John McMillan, President Kevin Shannon, Managing Director Scott Schumacher and Senior Managing Director Jeff Sanita represented Magellan in the sale of Commerce Business Park. Cushman & Wakefield’s Senior Director Greg Wells and Executive Managing Director David Hasbrouck represented Magellan in the sale of Magellan Storage—Commerce.

*Image courtesy of The Magellan Group*