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The Magellan Group Collects \$77 Mil from Two LA Area Sales

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The Magellan Group sold two Los Angeles area properties in separate deals with a total price of \$77.6 mil. The properties, Commerce Business Center and Magellan Storage – Commerce, are both in the central LA County City of Commerce.

For The Magellan Group, the disposition completes a three-year, \$375 mil investment, development and disposition strategy focused on value add industrial and self-storage properties in key infill locations in Southern California.

“As the economic recovery began to materialize toward 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.



Commerce Business Center, a 290k sf industrial facility located at 6000 S. Eastern Ave, was purchased by Blackstone Property Partners, the Core+ business of Blackstone. The project included 90k sf of new construction built by The Magellan Group to meet demand for smaller tenant spaces in the market.

Magellan was represented in the sale by the Newmark Grubb Knight Frank team of Bret Hardy, Kevin Shannon, Scott Schumacher, John McMillan and Jeff Sanita.

In the other deal, US Storage Centers bought Magellan Storage - Commerce, a 1,348-unit, 144k sf self-storage facility located at 5415 E Olympic Ave. Magellan's value-add strategy for the project entailed the redesign and redevelopment of a former industrial building, resulting in national recognition with a Facility of the Year – Conversion Winner award from industry trade media MiniStorage Messenger.

Magellan was repped in this deal by the Cushman & Wakefield duo of Greg Wells and David Hasbrouck.

The specific terms of the individual transactions were not disclosed, and follow the recent sale of Magellan Gateway, a 502k sf, five-building project in El Monte, and the sales of a 530k sf building in Commerce, a fully-entitled industrial parcel in Baldwin Park, and six self-storage projects comprising approximately 6,000 units that were developed and/or acquired by Magellan in select infill markets in the greater Los Angeles area.