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Magellan Tallies \$35M of Industrial Condo Sales

By: Bob Howard



FULLERTON, CA-The Magellan Group of Los Angeles has sold the last of 25 industrial condos at its Valencia Business Center here, bringing the tally of sales to \$35 million for the 220,000-square-foot project. The 25 condos, including a 5,700-square-foot unit that was the last to sell, range from 6,000 square feet to 13,000 square feet, with 16- and 22-foot clear heights, grade-level loading and large secured yard areas.

Magellan bought an aging industrial building in 2003, the razed it to make way for the condo development, which is at 1300 E. Valencia Blvd. It was built by Millie & Severson, with a design by HPA Architects. Kevin Staley, principal and co-founder of the Magellan Group, commented: "We set out to develop an attractive, highly

functional product for small building owners at a time when market demand for owner-user industrial space was high. The initial market response was extremely favorable, as we had presale activity for 50% of the project."

After that, however, "The project subsequently met with extraordinary obstacles," Staley said. "However, our favorable basis in the development gave us the capacity to withstand a declining market, our design and construction gave us a strong competitive position and our brokerage team did an outstanding job helping us navigate through a very challenging business and market environment."

Mike Hefner and Mike Vernick of Voit Real Estate Services represented the Magellan Group in the sale of the project. Lehman Bros. was Magellan's equity partner and Chinatrust Bank provided construction financing.