



Western

Macland Investments Purchases Office Building in Los Angeles for \$4.7M

POSTED ON FEBRUARY 22, 2016 BY NELLIE DAY IN CALIFORNIA, OFFICE, WESTERN



LOS ANGELES — Macland Investments has acquired a 10,300-square-foot office building in the Warner Center/Woodland Hills submarket of Los Angeles for \$4.7 million. The building is located at 5947-5951 Variel Ave.

The gas station operator will use the space for administrative offices. The seller, a private investor, acquired the property in 2012 as a two-tenant property. It renovated the space for single-tenant use with high-end, modern finishes. **Scott Romick** of **Lee & Associates-LA North/Ventura** represented the seller.



Owner/User Pays \$470/sf for 10k sf Office Property in Warner Center

2/12/16



A 10.3k sf office building in the San Fernando Valley's Warner Center/Woodland Hills submarket has traded for just under \$4.7 mil, or \$470 per square foot. The property, located at 5947-5951 Variel Ave, west of De Soto Ave and south of Oxnard St, received multiple offers.

The building was purchased by an owner user, Macland Investments, an operator of gas stations. The firm will use the space for administrative offices.

The seller, a private investor, acquired the property in 2012 as a two-tenant property and renovated it for

single tenant use with high-end, modern finishes. The property no longer fit with the company's business model, and, along with rising prices and high demand for properties of this type, resulted in the sale.

Scott Romick, managing director and principal of **Lee & Associates-LA North/Ventura**, represented the seller in the transaction. According to Romick, demand for office buildings of this size is high in general, and the location of this property, in the Warner Center Specific Plan, also offers a potentially lucrative exit strategy for a buyer.

The recently revised Warner Center Specific Plan relaxes a number of development restrictions, and it is believed that properties within the Specific Plan borders will become highly sought after by developers, particularly those who seek to aggregate parcels for larger developments.

"We're seeing a big spike in businesses seeking to own their own buildings in order to control overhead expenses and support their branding and identity, Romick said. "So it is not surprising that we ended up with a per square foot price that is more than double the median in the area."

The median price of office buildings sold in the Los Angeles North region was \$212 per square foot. Although smaller buildings typically trade at the high end of the range, the sale price of the Variel Ave was high by any standard.

Towering Price for Office Building

By **MARK MADLER** Thursday, February 11, 2016

An office building in Woodland Hills has sold for \$4.7 million.

At \$470 per square foot, the price was more than double the median price per square foot of \$212 in the Los Angeles North region.

The 10,300-square foot building in the 5900 block of Variel Avenue was sold to gas station operator Macland Investments for use as administrative offices.

The seller was a private investor who purchased the property in 2012. He was represented by **Scott Romick**, managing director and principal of **Lee & Associates-LA North/Ventura**.

“We marketed the property for about one month and received a number of offers,” Romick said in a prepared statement.

It was not surprising the building went for that price given that businesses are seeking to own their own buildings in order to control overhead expenses and support their branding and identity, added Romick.