

Time Warner's El Segundo Office Sells for \$30.5 Million

By **DAINA BETH SOLOMON** Monday, June 6, 2016

It's no Playa Vista, but El Segundo is still commanding solid office sales. An office on Continental Blvd. has sold for \$30.5 million, or just over \$300 a square foot. The buyer, Brightforward LLC, a private family from West L.A., bought the 96,210-square-foot building at 550 Continental from Colony Capital Inc., based in downtown.

The price was a \$9 million jump above its last sale in 2007. The three-story complex is 97 percent leased, with Time Warner Cable as the main tenant.

The deal comes on the heels of a record-breaking El Segundo office sale last month, when the Apollo at Rosecrans campus sold for \$328 million – more than \$600 a square foot. That's about twice the amount of other comparable office sales in the city. The premium was largely due to the Apollo's recent renovation, which gave its tenants amenities such as a basketball court, a dog park, and outdoor fireplaces.

The Apollo's buyer, Intercontinental Real Estate Corp., said it anticipated strong rent growth and considered the current leases already under market value.

“It gave the buyer comfort that, if Time Warner ever left, they'd be able to get upside rents,” said Kevin Shannon from Newmark Grubb Knight Frank's investment team, which represented the seller along with Ken White and Mike Moore.

Newmark broker David Ghermezian represented the buyer, which made the sale as part of a way to postpone paying capital gains tax on a previous sale through a 1031 exchange.

Read the full article here (subscription-based):

<http://labusinessjournal.com/news/2016/jun/06/time-warners-el-segundo-office-sells-305-million/>