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768-Unit Complex Hits Market for \$170M

By Bob Howard

EXCLUSIVE

ANAHEIM, CA-The 768-unit Madison Park apartment complex has hit the market at an asking price of \$170 million. The complex is the largest multifamily property to be brought to market in Southern California since 2004, according to exclusive listing agent Greg Harris of Marcus & Millichap.

Built in 1969 and renovated with \$14 million of improvements in 2006, Madison Park comprises 12 three-story buildings on an 18.5-acre site at 2235 W. Broadway. Harris tells GlobeSt.com that in addition to being the largest asset of its type to be marketed in Southern California since 2004, the property is unusual in a number of other respects, including its below-market rents and its amenity package.

"Asking rents are over 30% below all new product coming to market," Harris says, adding that the opportunity for rent growth is insulated further from future competition because there are no competing properties within a four-mile radius. At the same time, he says, the resort-style amenity package "competes with newly constructed apartments."

Harris describes Madison Park as an institutional quality, core asset whose owners, West Coast-based institutional investors, have placed it on the market "to diversify and re-leverage their equity." The 2006 renovation included \$5,500 per unit of interior upgrades, along with an extensive remodeling of the 18,000-sf lobby/clubhouse and lounge, landscape redesign, new decks and balconies, a modern paint scheme and a state-of-the-art fitness center.

Other common area amenities at the property include three pools, a spa, four lighted tennis courts, a billiards/game room, a movie theater, a business center, an aerobics room and banquet facilities. The unit mix consists of seven different floor plans ranging from studio to two bedrooms, at sizes ranging from 361 sf to 987 sf.

Harris says that the property is expected to attract prospective buyers for its location as well as for the complex itself. Anaheim is the largest city in Orange County, with 345,000 residents and a host of attractions such as Disneyland, Disney's California Adventure, a host of sports venues, entertainment centers and other attractions.

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