

Last updated: Tuesday, May 22, 2007

\$29M Complex Sells, Condo Units Planned

By Bob Howard

OXNARD, CA-A family trust has acquired the 168-unit Rancho Solana apartment complex here in a 1031 exchange and John Laing Homes Urban has bought a site for a mixed-use project in Sherman Oaks in two off-market deals, according to Gregory Harris of the El Segundo-based Harris Group at Marcus & Millichap. Harris says that the two off-market transactions, both brokered by the Harris Group, testify to the continued availability of desirable multifamily investments and development sites.

In the Oxnard transaction, the Redfern Family Trust bought the Rancho Solana complex from Rancho Solana Land Partners, a private equity group. Built in 1973, the two- and three-story building is situated on 8.29 acres directly off the Rose Avenue exit of the Ventura Freeway. The units average 865 sf, and the complex was 96% occupied at the time of the sale.

Redfern, which owns 1,100 apartment units throughout Southern California, sold a 74-unit rent-controlled apartment property that had mostly one-bedrooms to obtain Rancho Solana, which consists largely of 168 market-rate units of two and three bedrooms. Over the last few years Rancho Solana Land Partners has made significant capital investments to Rancho Solana, including a new pool and spa, adjacent sundeck, upgraded common areas, renovated leasing suite, fitness center, signage and other amenities.

The site that John Laing acquired is called the Mosaic and occupies 1.9 acres at 14121 Ventura Blvd. PCS Development of Los Angeles sold the entitled land, which was formerly known as Camino Real.

According to Harris, John Laing Homes Urban plans to develop 88 condominiums, including 50 flats and 38 townhomes, as well as 16,500 sf of retail and 349 parking spaces for commercial and residential use. Originally permitted for apartments, the property is currently entitled for condominiums and retail.

Harris, president of the Harris Group, says that the Mosaic and Rancho Solana deals demonstrate that there are still many attractive investment opportunities in the multifamily and condominium sectors. "Many of the most promising properties are off-market or entitled pieces of land that have yet to be developed," Harris comments.