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Industrial Sale

Industrial real estate developer and landlord **Rexford Industrial LLC** has purchased a 176,000-square-foot structure from an unnamed lender who had foreclosed on the property.

The \$10 million all-cash deal for the light industrial property at 9220-9268 Hall Road in Downey closed Sept. 3. The development, known as Cornerstone Commerce Center, was built in 2006 as an office condominium project, with 50 units ranging from 3,221 to 5,020 square feet. Five of the units had been sold by the previous owner.

Rexford purchased the building for \$57 per square foot, which compares favorably with the prices the previous owner had achieved in its five sales. According to Rexford, those sales hit prices as high as \$191 per square foot in the second half of 2008.

Howard Schwimmer, co-founder of West L.A.-based Rexford, said that his company will start by leasing the units, though the business model will likely change over time.

"We are in a position based on our cost basis where we can undercut current market rents by 30 percent. We plan to lease the project and selectively sell them over the next several years," he said.