



Condo: Peppy's apartment complex in Marina del Rey at 4715 Ocean Front Walk.

Canadian Company Jumps Border for L.A. Location

GROWTH: Avison Young opens Westwood office as part of U.S. expansion plan.

THERE'S a new commercial real estate company in town.

Avison Young Canada Inc., one of Canada's largest independent brokerage and management companies, opened its first L.A. office this month as it seeks to substantially expand its U.S. presence.

The Toronto company has been rapidly growing, expanding to 800 employees in 25 offices worldwide from 300 employees in 11 offices in 2008.

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"Avison Young is a growing entrepreneurial firm," Resnick said. "An amazing statistic for me and part of the attraction is that in the last two-and-a-half years, it's grown. That kind of growth runs contrary to what people perceive in the economy."

The L.A. outpost is part of the company's larger plan to have a presence in eight key U.S. cities. It is looking to reach that goal by the end of the year when it opens offices in San Francisco and New York. The firm also has an aggressive plan to open several additional offices within Los Angeles and Southern California over the next two years.

"I would see L.A. as our largest if not one of our largest regional hubs because of the vastness of the city," said Earl Webb, president of Avison Young's U.S. headquarters in Chicago. "L.A. is one of the biggest and best real estate markets in the country. We're starting in (Westwood) and as time goes by we hope to be downtown, in the (San Fernando Valley) and down in the South Bay area."

Its local office is temporarily at 1100 Glendon Ave. as it seeks a permanent space for its growing team, which includes Director Matthew Wallace and Marketing Coordinator Meryl Ong, also both former Grubb employees.

Freight Expansion

An East Coast freight distribution company is doubling its space near the Port of Long Beach as it seeks to grow along with increasing shipping activity.

AZ West, the western arm of Linden, N.J.-based **AZ Container Freight Station**, has leased 300,000 square feet within the Watson Corporate Center at 2220 E. Carson St. in Carson. The six-year deal is valued at \$12.5 million.

The expansion brings the company's total footprint in the area to more than a half-million square feet between two separate South Bay buildings.

The Watson building, owned by Carson

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developer **Watson Land Co.**, was previously occupied by **Boeing Co.** for warehousing. The Chicago aerospace company moved out this month as part of its own consolidation. AZ will take occupancy in October.

The expansion is indicative of increasing demand for industrial space nationwide as port traffic recovers from the worldwide recession, said **CB Richard Ellis Group Inc.** Executive Vice President John Schumacher, who represented AZ.

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"We're seeing good activity over the course of the last 12 months," said Schumacher, who added that he has seen clients simultaneously expand both in Los Angeles and the East Coast.

Bret Quinlan, Bill Waxman and Mike Rizzo of CB Richard Ellis also represented AZ. Watson Land was represented in-house by Lance Ryan and Mike Bodlovich.

Condo Conversion

In an unusual exchange, the former owners of Encino Place Shopping Center have sold the San Fernando Valley center and picked up a 10-unit Marina del Rey apartment complex.

Peppy LLC, a group of unnamed Australian investors, bought the multifamily building, entitled for condos, for almost \$12.7 million this month.

Located at 4715 Ocean Front Walk – right on the sand – the luxury complex sold for \$880 per square foot, one of the priciest in the submarket this year. Seller **1QuarterDeck** bought the building in 2006 for \$8.7 million, renovating and entitling it for condos.

The complex is 100 percent leased, with the one-, two- and three-bedroom units ranging from 990 square feet to 2,030 square feet. Each has a balcony and five have lofts, with monthly rents starting at more than \$3,700 for the smallest units.

Peppy sold Encino Plaza in April and has sought to invest in a multifamily property, among the more safe real estate investment in today's market, said Eric Sackler, a director at **Coldwell Banker Commercial NRT** in Brentwood, who represented the seller.

"They were looking for a quality asset in a good area and it's a safe investment area. The worst they can do is keep it rentable," he said.

Peppy was represented internally by Andrew Matyas.

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