



VOSKANIAN INVESTMENT GROUP, INC.

A KW Commercial Affiliated Company

CASE STUDY: 1.78 ACRES OF RETAIL LAND



8000-8016 E. Slauson Avenue
& 7895 Telegraph Road
Montebello, Ca 90640

Price: \$4,525,000

Land for Retail Development
Lot Size: 77,298 sq ft
Price per sq ft: \$58
Traffic Count: 69,892/Day

Edwin Voskanian

Direct: 818-303-9903
edwin@voskaniangroup.com
www.VoskanianGroup.com

CA BRE License # 01526505
CA BRE License # 01299288
CA BRE License # 01434190

CHALLENGE

In undertaking the sale of the 1.78 acres of land on the northeast corner of Slauson Avenue & Telegraph Road in Montebello, we knew we needed to achieve retail land pricing. (Retail land pricing is almost double that of industrial land: we needed to achieve this in order to achieve the seller's pricing expectation). This was a unique obstacle as the site was a current industrial parcel of land. It was surrounded by other industrial sites and, with the exception of a Starbucks on the diagonal corner, there was little retail presence in the area. We knew we had a good parcel of land to work with, on a strong corner with excellent traffic counts; our challenge was to demonstrate to the buyer that this site, if developed properly, could be the springboard to the redevelopment of the entire area.

ACTION

The seller had previously had offers from \$3,000,000 up to \$4,000,000. We brought this property to market at \$4,690,000. We implemented our comprehensive marketing campaign, including a detailed offering memorandum of the asset, e-mail blast to all retail property owners and developers all over Southern California, in addition to the asset being marketed on Loopnet, Costar, Property Line and Property First. Additionally, we called approximately 12 developers who had developed a retail building, shopping center, gas station, or mixed use development in the previous 12 months in Los Angeles County.

RESULTS

Through properly positioning and marketing of the asset, we managed to demonstrate the value of the asset and generated three offers, from \$2,900,000 up to \$4,500,000. By creating this "bidding war," we managed to have one developer offer a price and terms other bidders couldn't match: \$4,525,000 with 21 day due diligence, non-refundable after 21 days, a \$200,000 deposit transferred to the seller's accommodator to be used by the seller for the purchase of their up-leg property. This allowed the seller to significantly increase the probability that the buyer will close in a timely manner and use the deposit to open escrow and a place deposit on potential up-leg properties.

Overall, this transfer of deposit from the buyer to the seller's accommodator halfway through escrow, significantly reduced the seller's risk and worries of a 1031 exchange.

TESTIMONIAL

After owning this property for 35 years, Edwin showed us how we can generate higher passive income through a 1031 exchange. We exchanged into a property which created greater income. He helped us with our transaction, as well as helping us to find the replacement properties. Edwin treated us like family. – Arsen & Leone Mooradian; Sellers