LA Mart for Sale

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Los Angeles - Merchandise Mart Properties has put the gift and home showroom building LA Mart on the block through commercial real estate company Madison Partners.

Of the buildings' nearly 800,000 leasable square foot area, just over 500,000, or about 64 percent, is made up of showrooms. (The rest is offices, storage, and a small amount of other uses.) However, all that space is not necessarily occupied: Madison Partners lists the building as being 59 percent leased.

It's not clear whether a buyer will continue to operate the Mart as a showroom building or repurpose it. Madison touts the Mart's net operating income of $5.3 million from its tenants' leases ($3.2 million of which comes from its recently signed 15-year lease with the County of Los Angeles for 142,360 square feet of office space.) However it also highlights "significant redevelopment/repositioning potential" for the site.

San Francisco-based Shorenstein Properties inked a deal to buy MMPI's Los Angeles 350 West Mart for $228 million in January. Though it was originally built for overflow trade-show business, according to the Wall Street Journal, it is now largely office space, and the new owners plan to turn the remaining exhibition space into offices as well.

MMPI declined to comment.