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Spectrum Building at PCH and Sunset Sells for \$36.7 Million

By Reza Gostar
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In a joint venture, two Dallas companies (Lincoln Property and Centennial Real Estate) have purchased the 104,000-sq.-ft. commercial space known as Sunset Coast Plaza, located at 17383 Sunset Boulevard at Pacific Coast Highway. Bob Safai, a broker with Madison Partners, represented both Embarcadero Capital Partners LLC (the sellers) and the buyers in the \$36.7-million deal that closed in July. Safai, who also handled the last two purchases of the commercial space, told the *Palisadian-Post* the new owners are planning a major renovation of the building (located across PCH from Gladstone's), which they hope will capture the beach-side essence of the area. The space includes the Spectrum Athletic Club that overlooks Santa Monica Bay, and is just south of the Rockwell building (formerly known as the "Bunker Building") that was recently upgraded to a swanky 16-unit condominium complex.

David Binswanger, executive VP of Lincoln in Southern California, told the Los Angeles Business Journal that the "partners were attracted to the Pacific Palisades property because of its proximity to Santa Monica and its \$354-a-square-foot price. "We bought this building at a huge price per-pound discount," Binswanger said. "We saw pricing in Santa Monica rise to more than \$600 a foot and determined the opportunities there were going to be few and far between," According to the Business Journal, the Dallas team is planning to spend \$1.6 million for cosmetic renovations and an additional \$1.4 million on a marketing effort to rebrand the property. Safai told the *Post* that the building is currently about 15 percent vacant. He did not say when construction/renovation will start.