

## **Southern California Edison Buys Countrywide's Ex-Call Center Building for \$33.75M**

By Alex Finkelstein

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(GREENWICH, CT) -- Southern California Edison, one of Downtown Los Angeles' largest employers, has purchased a 270,000-square-foot office building in suburban Rosemead, CA, near its own L.A. headquarters site.



Edison paid Hanover Real Estate Partners of Greenwich, CT \$33.75 million or about \$125 per square foot for the structure at 1515 Walnut Grove.

In a prepared statement, Hanover says the building was originally purchased in a sale-leaseback transaction by Potters Avenue Limited Partnership in 1983 and was leased under long term net lease to Citibank through Oct. 31, 2008.

Citibank, in turn, had subleased the entire building to Countrywide for its mortgage call center operation.

Hanover was brought in as the managing general partner of the partnership to oversee and transition the building through the lease expiration and resulting vacancy.

"A significant part of Hanover's fundamental investment strategy is to acquire properties or joint venture with existing owners to transition and reposition real estate properties through challenging economic conditions," according to the company's statement.



According to Reed Miller and Ken Boyle, managing partners for Hanover Real Estate Partners:

"Countrywide's departure from the building in October 2008 provided us with the extremely challenging task of repositioning the asset in a very difficult and competitive real estate market.

"Southern California Edison's corporate headquarters building is in close proximity to the building and they were identified early on as a prospective occupant.

"We had been in discussions with them for quite some time and are extremely happy to have completed a transaction that's beneficial to both Southern California Edison and our partners."

The partners say Hanover will continue to focus on "identifying attractive, yet undervalued properties where it can lend its real estate expertise to upgrade and transition the asset so that it is well positioned and competitive in the market."

Hanover Real Estate Partners specializes in the acquisition, operation and management of institutional real estate assets.