



Waterbridge Capital Venture Acquires 1 msf Downtown LA Property for Adaptive Re-Use Project

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In a deal we're told is the largest adaptive re-use project in Downtown Los Angeles history, Waterbridge Capital, in a venture with Jack Jangana, has purchased Broadway Trade Center, a 1.08 msf building constructed back in 1908 and located at 801 S. Broadway. The building, which formerly housed the Hamburger's department store and a May Company department store, will be redeveloped into a mixed-use creative office campus. The acquisition price was not immediately disclosed.

According to market experts, this project is thought to be the largest conversion opportunity on the West Coast currently. It will also be the first creative campus of this size for the technology industry in Downtown Los Angeles. The nine-story Broadway Trade Center houses the largest available floor plates in Downtown and also features ceiling heights as high as 25.7 feet.

Located immediately adjacent to the Historic Core, Financial, and South Park districts, the Broadway Trade Center is the first building on the West Coast to have an escalator. The building encompasses most of the west side of the block from Broadway to Hill Street, between 8th and 9th Streets.

The area is the focus of Bringing Back Broadway, a revitalization initiative led by Los Angeles City Councilmember José Huizar aimed at increasing economic development and job creation, enhancing the pedestrian experience, increasing transit options, and encouraging historic preservation in the national register historic district. It is centrally located on Broadway in the heart of the historic core, directly across from the Orpheum Theatre, near the famous Eastern Columbia building and the new Ace Hotel, directly along the proposed Downtown L.A. Streetcar route on two sides, and one block from South Park within walking distance to L.A. Live.

Phillip Sample, Chris Caras and Michael Shustak with CBRE represented the seller, a private, undisclosed family investment entity. Frank Lahijani and Jeremiah Curry with Global Commercial Real Estate repped the buyer in the transaction.

"The new owner plans to build a creative campus, which will be ready in about 24 months for a major tech tenant to move in," says Caras. "This is the first of its kind in the core of Downtown LA."

"They're building a creative campus using the high-end Chelsea Market in New York as design inspiration. Comparable to the Twitter campus in San Francisco or the Yahoo campus on Colorado in Santa Monica, the creative campus will provide green technology and electric cars," added Sample.

Canyon Capital Realty Advisors LLC and Hudson Pacific Properties Inc have funded the first tranche of a \$140 mil senior bridge loan for the acquisition and redevelopment of the property. An important aspect of the redevelopment work includes maintaining and restoring historical elements of the building.

Upon completion, the Broadway Trade Center will include large-plate creative office space as well as ground and second floor flagship retail spaces. The property's unique spaces, which benefit from large, historic operable windows on three sides of the building, are expected to generate strong demand from potential tenants. The building will also offer future employees and tenants with convenient access to public transit, including the planned Downtown Streetcar, which will run directly in front of the property.

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