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## Moorpark Industrial Sales Highlight Strong Sector



By Brynn Shaffer

Two separate industrial properties recently changed hands in Moorpark, as the area continues to be a magnet for investors seeking stable properties with a strong tenant base.

The Westlake Village-based branch of commercial real estate brokerage firm **Lee & Associates** managed the sale of both fully occupied independent assets, which totaled more than \$20 million. Both properties were acquired by personal investors, a rising trend for key industrial assets in valley submarkets.

“They’re both special in the sense that they’re industrial in Ventura County in a very strong climate as far as supply versus demand,” said **Grant Fulkerson**, a principal of Lee & Associates who specializes in the sales and leasing of industrial properties in North Los Angeles and Ventura County markets. Fulkerson was directly involved in both transactions, representing the buyer for one of the sales and the seller for the other.

The first property, located at 5456 Endeavour Ct., is a 22,000-square-foot industrial building positioned just off the 118 freeway. It sold for \$6.7 million to **Hugh Cassar**, the owner of **Kretex International**, a tobacco-distribution company.

Kretex “owns every other building on Endeavour Court,” Fulkerson said. “Their motivation for this acquisition was basically just to secure the real estate for potential future expansion, or just as an investment opportunity.”

The second property, located at 14399 Princeton Ave., is a freestanding industrial structure spanning approximately 46,000 square feet that sold for \$13.7 million to **Michele Bolour** of **Apollo Asset Management**. The seller was **Steve Sannett**, a private investor. The facility came equipped with 7,540 square feet of dedicated office space.

The Princeton Avenue property was part of a 1031 exchange.

“In this case, we were able to negotiate a purchase price that gave the buyer a 5% cap rate and allowed the seller to negotiate a six-month leaseback, which worked well for both parties,” Fulkerson said.

As other asset types, such as office have experienced market difficulties as of late, industrial has remained a stable asset type – which has led to a surge of investors wanting to tap into the marketplace.

“As far as commercial investments, industrial is definitely the safest product type,” Fulkerson said.

He noted the market has maintained strength, as depicted by its very low vacancy rates.

“Even throughout the pandemic, industrial was strong,” he added.

### **Lower expenses**

Another factor making industrial a strong desirable class type is the low capital expenditures related to upkeeping an industrial asset, as opposed to a traditional office building, for example.

“When it comes time to re-tenant an industrial building, the expenses for an owner are far less than other class types,” Fulkerson said. He noted tenant improvement dollars are typically much less within industrial buildings too.

Both of the recent Moorpark industrial properties were bought by investors who own a mix of different asset types.

“However, when they were looking to acquire properties, they identified industrial as the preferred class type to invest in today, which is common,” Fulkerson said. “From an investor’s standpoint, you’re still seeing a healthy appetite to acquire industrial product, where that thirst is not existing with other asset class types.”

And while Fulkerson said this investor’s appetite is a trend to acquire industrial assets across all Southern California, the competition is exacerbated in Ventura County – where industrial properties tend to be more populous and there is limited room for new development – which has led to investors wanting to pounce when they see an industrial product come on the market, explaining the surge in investor flock.

Fulkerson says in Ventura County the businesses he sees a lot of are defense contractors, manufacturers, life science companies, and research and development labs, all of which occupy industrial properties.

**The original article can be found [here](#).**