

# Chunk of industrial park sells for nearly \$10 million

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For a chunk of industrial buildings at Sunrise Industrial Park, seller FJM Sunrise Associates LLC had to be sure to get the right buyer. After all, the two sides would be neighbors.

FJM's ongoing piece-meal sale of the park in Rancho Cordova included six buildings on Mercantile Drive, which Mercantile GPRV Partners 12 LLC bought in recent weeks for \$9.96 million.

Peter Winterling of Newmark Cornish & Carey, who handled the sale on the side of the sellers, said the six buildings were never on the open market. "For us, it was a good opportunity to get a complementary user out there," he said. FJM quietly approached potential buyers about the buildings, which total about 215,000 square feet.

The buildings range between 20,000 and 45,000 square feet and are 80 percent occupied with deals pending for what's not, Winterling said.

"For them to get to step in with a couple deals on deck is pretty good," said Winterling, a senior managing director. "There are a lot of guys looking."

Industrial properties, which have seen the greatest gains in commercial real estate in recent years, are in demand with vacancy rates declining, he said. Rents could approach \$49 a square foot, and the optimism among owners and users is far greater than it was three or four years ago, Winterling said.

That fits with what FJM wants to do with Sunrise, where the company still owns about 400,000 square feet of space and plans to gradually sell it off, he added.

Because the properties are in generally good shape, the new owners doesn't have much to do in terms of improvements, Winterling said. Todd Sanfilippo of CBRE Sacramento worked on the deal on behalf of the buyer.

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