

Orchard joins team to revive SFO complex

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Orchard Partners has teamed up with Angelo, Gordon & Co. and Centrum Properties on repositioning the SFO Logistics Center, a 571,723-square-foot industrial complex on 26 acres in South San Francisco.

Orchard Partners, based in Lafayette, made a financial stake in the project, but declined to disclose terms.

New York-based Angelo, Gordon and Chicago-based Centrum bought the complex, a former warehouse and distribution center for the U.S. Postal Service and the Drug Enforcement Administration, in 2008 for \$36.5 million.

The partnership then bought two adjacent parcels totalling 6.3 acres, bringing the investment — land price plus improvements — to \$81 million. The site is near the intersection of Highway 101 and Interstate 380.

The investors secured approvals to overhaul the buildings and began an \$8 million renovation last year that will be complete in October.

"Following a two-year entitlement and redesign of the project, we are thrilled to have Orchard spearheading this exciting next phase at SFO Logistics Center as we embark upon our leasing program," said Steve White of Angelo, Gordon.

Tyler Higgins, managing partner for Orchard, said his firm had been seeking a project to collaborate on with Angelo, Gordon.

The main priority is to lease the vacant property to industrial and logistics tenants. Marshall Hydorn and Jason Cranston of Cassidy Turley BT Commercial are handling the leasing efforts.

"SFO Logistics Center has been thoughtfully conceived, and on a renovated basis, is competitively positioned to service logistics and air freight uses in the SFO Airport submarket," Higgins said.

Orchard Partners, founded in 2007, has been involved with more than of \$500 million worth of property transactions on the West Coast including a recent flurry of deals totaling 1.5 million square feet.