



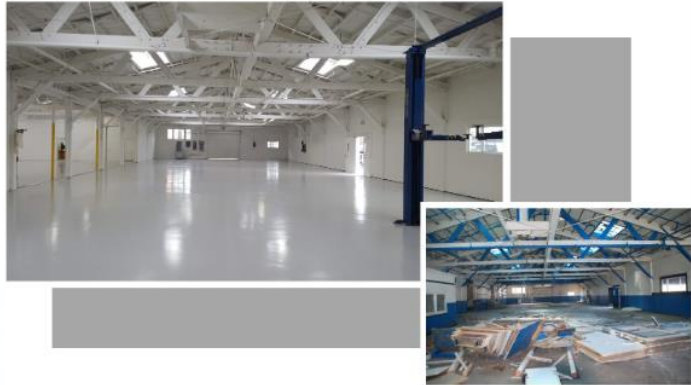
## Long Beach Repositioning Project

642, 644 & 646 W. Esther St.  
Long Beach, CA 90813

1745 Daisy Ave.  
Long Beach, CA 90813

## SITUATION

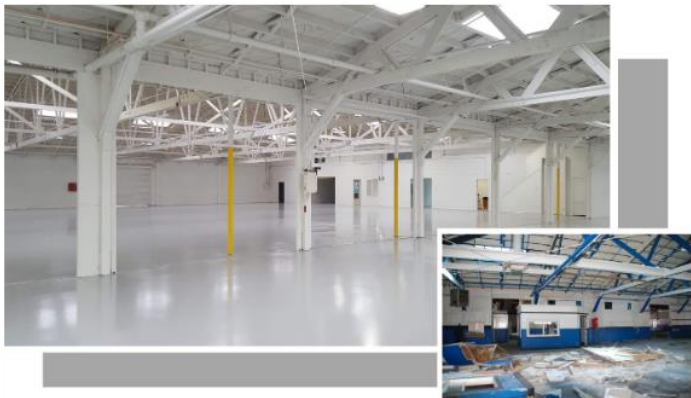
HPP acquired three adjacent buildings located on an entire city block in Long Beach, very close to Terminal Island. The buildings comprised approximately 35,000 square feet of 1950s vintage manufacturing product on 65,000 square feet of land. For over two decades, the property was primarily used to repair and distribute diesel parts.



## ACTION PLAN

HPP designed a project site plan in which all three self-contained units possessed an exclusive concrete yard with ground level loading. HPP believed that the units would generate significant demand from port related uses.

In repositioning the units, HPP used a "white box" strategy. HPP began by demolishing all of the specialized improvements so only the building's shell and functional office space remained. Inside the buildings, HPP epoxied concrete floors that it previously leveled, and painted the warehouse. The offices were updated with new finishes and fixtures.



## RESULTS

Following the renovation, the three units leased quickly at rates that exceeded HPP's underwriting. In a land-constrained submarket, prospective tenants found the secured yards highly desirable. HPP concluded that tenants in Long Beach are willing to accept low ceiling clearance and high building coverage, giving properties that offer modern specifications an enormous competitive advantage.