

THE **RADCO** COMPANIES

Radco's Met Tallies Sales Despite Downturn

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WOODLAND HILLS, CA – One of the largest condominium conversion projects in California is reporting steady sales despite the economic downturn. Norman Radow, president and CEO of Atlanta-based Radco Cos., tells GlobeSt.com that his company is selling eight to 10 units per month at the Met Warner Center, a 1,279-unit project here that Radco acquired in September last year as its first foray into the Los Angeles market.

Radow tells GlobeSt.com that about 750 of the units have been sold at the Met, which Radco repositioned after acquiring it and is now marketing at prices ranging from the high \$200,000 level to the low \$400,000s. "The market is soft for condominiums in general, but that doesn't mean that it's nonexistent," Radow observes, explaining that the Met is just the type of project that Radco likes to tackle.

"Radco is principally a workout company that comes in as a second owner on under performing real estate," Radow explains. When the Atlanta-based company saw the Met, it saw "a diamond in the rough," he says. "We were able to reduce pricing, provide for a better experience, reposition the property and then go out and remarket it," he explains.

Radco targeted young buyers for the Met, which occupies a 27-acre site at 5555 Canoga Ave. in Warner Center and offers what Radco describes as one of the best amenity packages around for an active lifestyle: six tennis courts, four pools, two racquetball courts, a fitness center, acres of grounds and other features. Besides attracting younger, first-time home buyers, the repositioned Met has also attracted empty-nesters who want an active lifestyle, with each of the two groups now accounting for about half of the sales at the Met.

Radco is offering what its CEO describes as "very attractive financing" and is paying closing costs for the condo sales, which Radow says are moving steadily because his targeted buyers are in a better position to buy than some other types of home buyers. First-time buyers don't have to sell a home first to make a deal work, he explains, which is crucial in this sluggish housing market. "Contingency deals are very difficult in this market," he says.

Radow points out that the Met is a strictly for-sale property. "We are not leasing at the Met, and we are not intending to lease," he says. "We've already sold 65% of the units, so we are well on the way to completing this project," he says.

Built in 1987, the Met comprises 16 three-story buildings, a clubhouse and the other amenities mentioned above. Its units, which range from 800 sf to 1,100 sf, are a mix of one-bedroom, one-bath; two-bedroom, two-bath; and three-bedroom, two-bath condos, some with loft spaces.

In addition to completing sales at the Met, Radow tells GlobeSt.com that his company has plans for running a number of projects from its Los Angeles office. The company is taking over a project in Las Vegas it will run out of its L.A. office, for example, and a project in Tacoma, WA, that it will oversee from L.A. Radco is also looking for a property in San Diego that would be fun from its L.A. office. ■