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California Apple Store building sells for record-smashing \$100 million

[Luke Dormehl](#) (6:05 am PDT, Aug 12th)

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Want to make money in real estate? Buy an Apple Store.

How valuable is it to have an [Apple Store](#) in your property portfolio? Pretty valuable indeed, as it (unsurprisingly) turns out.

That's the point proven by the Third Street Promenade Apple Store in Southern California, which has just sold to new real estate buyers for a record-breaking \$100 million: making it the per-square-foot record holder for commercial real estate in the entire West Los Angeles area.

The site, leased by Apple, was sold last month to New York state-based real estate business Bridgton Realty. Interestingly this is the second time the site has sold in the period during which Apple has operated on the site.

Previously a Borders Bookstore, earlier owners paid just \$26 million for the site. After Apple came along in 2012 this pricetag increased to a whopping \$60 million, at which point it was sold to new owners. Now those same owners have sold it again for this record-breaking sum: meaning that the site's value has increased by more than 280 percent over the past four years.

In case you're keeping track, today the 17,550-square-foot store costs around \$5,700 per foot. This is more than the \$4,550 per square foot that Apple Stores are normally valued at: which still makes Apple the most valuable store on a square-foot basis, according to a recent report by research company eMarketer Inc.

"The sale says more about Apple than it does about the promenade," says Jay Luchs, an executive vice president in the Century City office of Newmark Grubb Knight Frank. "I doubt if there was the same size space next door for sale it would get close to that kind of price. The buyer gets bragging rights to have such a tenant in its portfolio."

Apple is known for its long leases. It moved into the building in December 2012, and the current lease agreement could keep Apple there through 2027.