

THE LISTINGS

THE WEEK'S SALES, LEASES, LOANS, NOTICES OF DEFAULT AND UPCOMING INDUSTRY EVENTS

daily deals

Financings, sales and leases from
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Compiled by Carla Pineda. Deals are listed in order of
dollar amount, then square footage.

MIXED USE

SAN DIEGO — KM Development-72 sold the Convoy - Ronson Plaza and Industrial Park, which consists of two retail buildings totaling 29,605 square feet and seven industrial buildings totaling 74,608 square feet on a 5.98-acre lot at 7854-7924 Ronson Road and 4805-4891 Convoy St., for \$12.3 million. Nick Psyllos, Paul Komadina, Brad Jones, Bill Dolan and Doug Works of **CB Richard Ellis** represented the seller, while Joe Bonin, Pat Geary and Doug Ritterman of **ECP Commercial** represented the buyer.

ESCONDIDO — A tax service business signed a five-year, \$112,000 lease for 1,250 square feet of retail/office space at 1822-D W. El Norte Parkway from Tony Afshar. Rick Marcus of **Lee & Associates-North San Diego County** represented both parties.

SOLANA BEACH — Pink Image signed a three-year, \$36,000 lease for 600 square feet of office/retail space at 444 S. Cedros Ave. from South Cedros Associates LLC. Steve Bruce of **Lee & Associates-North San Diego County** represented both parties.

OFFICE



214 Wilshire Blvd., Santa Monica

SANTA MONICA — Knoll Inc. signed a 124-month, \$8.4 million lease renewal for 15,193 square feet of office space at 214 Wilshire Blvd. from Federal Realty Investment Trust. Brad Feld of **Madison Partners** represented the landlord, while David Kilborn of **Grubb & Ellis Inc.** represented the tenant.

CULVER CITY — ICDC College purchased a 24,086-square-foot office building at 5995 S. Sepulveda Blvd. for \$7.9 million from 5995 S. Sepulveda LLC. Andrew Jennison and Travis Landrum of **Madison Partners** represented both parties.

CARLSBAD — Genoptix Inc. signed a six-year, \$3 million lease for a 44,000-square-foot building at 2131 Faraday Ave. from the Reynolds Family Trust. Lannie Allee and Roger Carlson of **CB Richard Ellis** represented the lessor, while **The Blackmore Co.** represented the lessee.

PLEASANT HILL — Johnston, Gremaux & Rossi LLP purchased 333 Civic Drive for \$3 million. Eric Erickson, Sonny O'Drobinak, Trigger Reital, Josh Scott, Jeffrey Weil and Ed Del Beccaro of **Colliers International** represented both parties.

WALNUT CREEK — Sherman Properties purchased 500 Lennon for \$1.7 million. Eric Erickson, Sonny O'Drobinak, Trigger Reital, Josh Scott, Jeffrey Weil and Ed Del Beccaro of **Colliers**

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International represented both parties.

SAN DIEGO — Canon Business Solutions signed a five-year, \$1 million lease renewal and expansion for 8,235 square feet of office space in Sorrento South Corporate Center at 9330 Scranton Road from Trizec Sorrento Towers LLC. Eric A. Northbrook and Christopher P. High of **Cushman & Wakefield** represented the lessor, while Ron Magnaghi of **Jones Lang LaSalle** represented the lessee.

LA JOLLA — Samuel Hayatt signed a 15-year, \$871,000 lease for 1,359 square feet of office space at 4130 Regents Road from Regents Court Capital Partners I LLC, in care of American Assets. Duncan Dodd of **Grubb & Ellis | BRE Commercial** represented both parties.

SAN DIEGO — Rayspan Corp. signed a 27-month, \$800,000 lease for 11,312 square feet of office space in Carmel Valley Centre at 11975 El Camino Real from Carmel Valley Center LLC, in care of Hines. Eric A. Northbrook and Christopher P. High of **Cushman & Wakefield** represented the landlord, while David Marino of **Irving Hughes** represented the tenant.

SOLANA BEACH — The Regents of the University of California signed a five-year, \$784,000 lease for 4,118 square feet of office space at 505 Lomas Santa Fe Drive from Beckman Properties Inc. Joe Anderson and Stacy Looney of **Grubb & Ellis | BRE Commercial** represented the lessor, while Matt Nickels of **CB Richard Ellis** represented the lessee.

SOLANA BEACH — REO Atlas Services Inc. signed a three-year, \$722,000 lease for 7,195 square feet of office space at 236 S. Sierra Ave. from J. Karl Kreutzer. Peter Curry and Matt Campbell of **Grubb & Ellis | BRE Commercial** represented both parties.

VALENCIA — The Samuel Dixon Family Health Center signed a five-year lease for 2,576 square feet of office space at 25115 Avenue Stanford. Steve Robertson of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented the tenant.

HOLLYWOOD — Optimized Media Solutions signed a two-year lease for 2,290 square feet of office space at 4640 Hollywood Blvd. Christopher V. Bonbright and Thor Lee of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented both parties.

BEVERLY HILLS — A dental firm signed a five-year lease with a five-year extension option for 2,283 square feet at 9100 Wilshire Blvd. from **Douglass Emmett**. The landlord represented itself, while Helga Weinbach of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented the tenant.

LOS ANGELES — Principal Communications signed a five-year lease for 2,223 square feet of office space at 8075 W. Third St. Nico Vigliate and John Murray of **CB Richard Ellis** represented the landlord, while Helga Weinbach of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented the tenant.

BEVERLY HILLS — Krist Azizian signed a 10-year lease for 2,074 square feet of medical space at 8501 Wilshire Blvd. Christopher V. Bonbright and Mike Dettling of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented the tenant.

FRESNO — Paul S. Wolf M.D., Wolf Epilepsy Center Inc. leased 2,033 square feet of office space at 1189 E. Herndon Ave. Jim Graham and

Scott Christensen of **Grubb & Ellis | Pearson Commercial** negotiated the transaction.

PETALUMA — Paul Campion signed a six-year lease for 2,000 square feet of office space in Redwood Business Park at 1383 N. McDowell Blvd. from Basin Street Properties. Brian Foster of **NAI BT Commercial** represented both parties.

CULVER CITY — MG Digital signed a 12-month lease for 2,000 square feet of office space at 8549 Higuera St. David Landau of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented the lessor.

SAN CARLOS — Purvi Zavery signed 1,795-square-foot office lease for 1390 El Camino Real from 1390 El Camino Real LLC. Brett Weber and Ed Del Beccaro Jr. of **Colliers International** represented the landlord.

RESEDA — JS Healthcare signed a 38-month lease for 1,044 square feet of medical space at 19231 Victory Blvd. from Decron Management. Mike Dettling and Tony Kim of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented the lessor, while Sam Cohen of **TOLD Partners** represented the lessor.

MULTIFAMILY

SANTA MONICA — La Montana Investors LLC sold the 23-unit La Montana Apartments at 811 6th St. for \$7.6 million. Vince Norris of **Hendricks & Partners** negotiated the transaction.

CHULA VISTA — A \$5.4 million loan was arranged for the 116-unit Rolling Hills Gardens Apartments. This was part of a \$21.4 million financing package for the Chula Vista property and another in Delaware. Peter G. Welsh of **Newmark Realty Capital Inc.** arranged the loan.

LONG BEACH — A 12-unit apartment building on 10,067 square feet of land at 3810 E. Ocean Blvd. sold for \$2.9 million. Kevin King of **Marcus & Millichap Real Estate Investment Services** represented both parties, with the help of Sean Coon, also of **Marcus & Millichap**, on behalf of the buyer.

VISTA — A non-recourse, 10-year, \$2 million acquisition loan was arranged for the Park Vista Apartments. Secured by Chad O'Connor of **Marcus & Millichap Capital Corp.**, the financing has a 6.2 percent interest rate and a 30-year amortization schedule.

RESEDA — MG Ventures LLC sold the 15-unit Sherman Way Apartments at 19505 Sherman Way for \$1.6 million. Warren Berzack of **Investment Real Estate Associates** represented the seller, while Todd Schwartz of **Hanes Investment Realty Inc.** represented the buyer.

ESCONDIDO — Ronald Adiel Lamb Living Trust purchased a 2,652-square-foot, three-unit property with a duplex at 1745-1749 S. Maple St. for \$337,000 from US Bank. Ray Adams of **Grubb & Ellis | BRE Commercial** represented the seller, while John McAllister of **John McAllister Realty** represented the buyer.

RETAIL

CARLSBAD — WY Burger Company, doing business as The Counter, signed a 10-year, \$2.9 million lease for 3,968 square feet of retail space in The Forum at Carlsbad at 1923 Calle Barcelona from Fourth Quarter Properties XIX LLC. The lessor represented itself, while Carrie Bobb of **CB Richard Ellis** represented the lessee.

POWAY — Woodside Avenue Investors purchased a 3,064-square-foot retail space at 14969 Pomerado Road for \$1.95 million from Wells Fargo Bank N.A. Rob Johnson of **Marcus & Millichap Real Estate Investment Services** represented the seller, while Chuck Klein and Kevin Held of **Grubb & Ellis | BRE Commercial** represented the buyer.

ENCINITAS — Garcia's Encinitas LLC, doing business as Garcia's Mexican Restaurant & Creative Catering, signed a six-year, \$860,000 lease for 3,400 square feet of retail space in Encinitas Village Square One, 1486 Encinitas Blvd., from Encinitas Village Square One Ltd. John Jennings and Aaron Hill of **Cushman & Wakefield** represented the lessor, while Mark Morrison of **Morrison Brokerage** represented the lessee.

CARLSBAD — Jojo Be LLC/Twig Hair Lounge signed a six-year, \$429,000 lease for 1,587 square feet of retail space at 2653 Gateway Road from LNR CPI Bressi Retail LLC. Bill Thaxton of **Flocke & Avoyer Commercial Real Estate** represented the lessor, while Brooks Campbell of **Grubb & Ellis | BRE Commercial** represented the lessee.

TEMECULA — Styles for Less signed a five-year, \$328,000 lease for 3,000 square feet of retail space in the Temecula Town Center at 29720 Rancho California Road from Lakha Properties - Temecula TC LLC. John Jennings, Kam Walton and Chris Walton of **Cushman & Wakefield** represented the lessor, while Jared Davis of **Present Value Properties Inc.** represented the lessee.

VISTA — GameStop Inc. signed a five-year, \$300,000 lease for 2,000 square feet of retail space 1841 University Drive from ValVista South LLC. Phil Lyons, Bruce Schiff and Chad Iafate of **Grubb & Ellis | BRE Commercial** represented the lessor, while Brad Jones of **CB Richard Ellis** represented the lessee.

SAN MARCOS — Boot World signed a five-year, \$249,000 lease for 1,975 square feet of retail space in Nordahl Marketplace at 711 Center Drive from Nordahl Marketplace LLC. Nick Alford and Bryan Cunningham of **Cushman & Wakefield** represented the lessor, while the lessee represented itself.

CARDIFF BY THE SEA — Babies by the Sea Boutique LLC signed a five-year, \$239,000 lease for 1,314 square feet of retail space at 2005-2093 San Elijo Ave. from Stepstone Real Estate Services. Phil Lyons, Bruce Schiff and Chad Iafate of **Grubb & Ellis | BRE Commercial** represented the lessor.

FALLBROOK — The U.S. Military Recruiting Office signed a five-year, \$234,000 lease for 1,200 square feet of retail space in Fallbrook Mercantile at 855 South Main Ave. from Granite Fallbrook LP. Kam Walton, Rob Ippolito and Nick Alford of **Cushman & Wakefield** represented the lessor, while Jonathan Tsai of **InSite Realty Group** represented the lessee.

SAN DIEGO — Downtown Shoe Biz LLC signed a five-year, \$87,000 lease for 911 square feet of retail space in Parking Palace at 1350 Sixth Ave. from Parking Palace Associates LLC. David Maxwell of **Cushman & Wakefield** represented both parties.

SAN DIEGO — Wandering Sage Inc. signed a five-year, \$22,000 lease for 850 square feet of retail space at 2415 San Diego Ave. from American Commercial Equities Three LLC. David Maxwell,

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DEALS

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Corinna Gattasso and Bill Shrader of **Cushman & Wakefield** represented both parties.

NATIONAL CITY — National Plaza LLC, a Tim Sotoodeh joint venture, purchased a shopping center anchored by a 40,000-square-foot Smart & Final store. Tim Sotoodeh of **Tim Sotoodeh Real Estate Office** represented the buyer, while the seller represented itself.

ATWATER — Sky Nails leased 7,767 square feet of retail space in the Applegate Ranch Shopping center at Applegate Road and Highway 99 from Regency Centers.

CLOVIS — TJ's Pizza Buffet leased 4,890 square feet of restaurant space at Parkway Trails Shopping Center from Burgess/Smith & Wathen VII. G. Smith and Walter Smith of **Grubb & Ellis | Pearson Commercial** negotiated the transaction.

ATWATER — Affection Clothing leased 2,975 square feet of retail space in the Applegate Ranch Shopping center at Applegate Road and Highway 99 from Regency Centers.

HANFORD — David Bergren, doing business as Quality Cleaners, leased 1,450 square feet of retail space at 2637 11th Ave. from Investwest Partners V LLC. John Lee and Michael Kennedy of **Grubb & Ellis | Pearson Commercial** negotiated the transaction.

WEST HOLLYWOOD — Patagonia Food Concepts signed a 10-year lease for 1,344 square feet of restaurant space at 7980 Sunset Blvd. Christopher V. Bonbright and Glenn Melnick of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented both parties.

PASADENA — Aero LED Engineering signed a three-year lease for 1,100 square feet of retail space at 2583 E. Colorado Blvd. from Colorado Blvd. Self Storage. Andrew Berk and Glenn Melnick of **Ramsey-Shilling Commercial Real Estate Services Inc.** represented both parties.

CLOVIS — Liberty Tax leased 976 square feet of retail space in Sierra Pavilions Shopping Center from Clovis I LLC. G. Smith and M. Kennedy of **Grubb & Ellis | Pearson Commercial** negotiated the transaction.

INDUSTRIAL

CHULA VISTA — United Education Institute School of Nursing signed a 10-year, \$1.4 million lease for 4,999 square feet of industrial space at 344 F St. from Chula Vista 344 Office LLC. Dan Malcolm of **Lee & Associates** represented both parties.

SAN DIEGO — ACON Laboratories signed a 39-month, \$800,000 lease for a 16,784-square-foot research-and-development building in Centerpark Plaza at 10125 Mesa Rim Road from RREEF. Eric A. Northbrook and Sean Williams of **Cushman & Wakefield** represented the lessor, while Andrew Zimsky and Tom Mercer of **Colliers International** represented the lessee.

SAN DIEGO — Pendum LLC signed a five-year, \$246,000 lease for 4,342 square feet of industrial space at 4343 Viewridge Ave. from Masy Investment Co. LLC. Doug Works of **CB Richard Ellis** represented the lessor, while Kipp Gstettenbauer of **Cushman & Wakefield** represented the lessee.

CARLSBAD — Diagnostic Consulting Network signed a three-year, \$220,000 lease for 8,000 square feet of industrial space at 6354 Corte del

Abeto from GS3-LP. Tucker Hohenstein of **Cushman & Wakefield** and Mike Erwin of **Grubb & Ellis | BRE Commercial** represented the lessor, while Steven Field, also of Grubb & Ellis, represented the lessee.

CARLSBAD — E.F. Composite Technologies LP signed a three-year, \$133,000 lease for 7,296 square feet of industrial space at 2151 Las Palmas Drive from Las Palmas Industrial Park Associates LLC. Tucker Hohenstein of **Cushman & Wakefield** and Mike Erwin of **Grubb & Ellis** represented the landlord, while Conor Boyle and Michael Dyer, also of Cushman & Wakefield, represented the tenant.

CHULA VISTA — Sunshine Produce Co. signed a 27-month, \$80,000 sublease for 4,664 square feet of industrial space in Southbay Distribution Center at 684 Anita St. from Freshpoint of Southern California Inc. Tim Mills of **Cushman & Wakefield** represented the sublessor, while Mark Lewkowitz of **Lee & Associates** represented the sublessee.

SAN DIEGO — Jonas & Associates Inc. signed a 26-month, \$62,000 lease for 1,571 square feet of industrial space at 8885 Rio San Diego Drive from GRE Rio Vista. Tony Russell and Richard Gonor of **Grubb & Ellis** represented the landlord, while Ryan Munson and Derek Hulse of **Lee & Associates** represented both parties.

SUNNYVALE — Aosenec Inc. leased 9,600 square feet of research-and-development space at 767 N. Mary Ave. from The Irvine Co. LLC. Ken Tsukahara of **Colliers International** represented the tenant.

FRESNO — Commercial West Services leased 5,000 square feet of office/warehouse space at 2575 N. Renn from the George and Sally Oliver Trustees. Ethan Smith and Ron Stoltenberg of **Grubb & Ellis | Pearson Commercial** negotiated the transaction with Buk Wagner of **Colliers International**.

GOLETA — Jan and Randy Hahka purchased a 3,500-square-foot office/research-and-development building at 72 Santa Felicia Drive from Faye and Merlin Rossow. Michael Martz and Francois DeJohn of **Hayes Commercial Group** represented the seller, while Kathy Hughes of **Prudential Realty** represented the buyer.

CAMARILLO — Technicolor signed a lease extension for its industrial space at its Mission Oaks Corporate Center at 3233 E. Mission Oaks Blvd. from Sandstone Properties. Bill Kiefer, Fred Ferro, Lee Black and Timothy Foutz of **NAI Capital** represented the lessor.

LAND

PALMDALE — Global Investment & Development purchased 92 gross acres of unimproved land from a consortium of banks. Michel Faris of **Park Place Land Advisors** negotiated the transaction.

VACAVILLE — Westrust purchased a 77-acre Nut Tree parcel from Nut Tree Associates. A 3.5-acre portion of the site is the former Nut Tree Family Park, which shut down in January. The new owner plans to build a 333,000-square-foot Nut Tree Retail lifestyle and community center on a 30-acre site.

OAKDALE — Linda C. Beck Investment Co. LLC purchased the 57-unit finished lot Sterling Hills from Guaranty Plus Properties 2 LLC. R.J. Radler, Jim Radler and Ryan Long of **Park Place Land Advisors** negotiated the transaction.

SAN JOSE — Stevens Creek Toyota leased three acres of land at 370-380 Kiely Blvd. from Lopina Properties. Bob Shepherd of **Colliers International** represented the landlord.

REAL ESTATE in the courts

Real Property

■ Fee tying arrangement is legal where buyers had no desire to purchase referral services for sale of undeveloped lots.

Blough v. Holland Realty Inc., US Court of Appeals - Ninth Circuit, No. 08-35536, July 27, 2009

Curtis Blough contracted with Trademark Homes (Trademark) to build a house in the Baldwin Park subdivision, which was developed by Capital Development (Capital). Capital had sold the property to Trademark. Both Trademark and Capital had referral deals with Holland Realty Inc. (HRI), whereby HRI would be paid separate referral fees for the sale of a lot and the sale of a newly constructed home. Blough sued HRI for unlawfully tying fees for the sale of newly constructed homes to fees for the sale of undeveloped lots. The district court found that there was no unlawful tying arrangement as the buyers could not show that a market existed for referral services pertaining to undeveloped lots. Blough argued that there was a per se unlawful tying arrangement.

The decision was affirmed. Section 1 of the Sherman Act may be violated when a "seller conditions the sale of one product...on the buyer's purchase of a second product." To show an unlawful tying arrangement, the plaintiff must show that "the tying arrangement affects a 'not insubstantial volume of commerce' in the tied product market." The inquiry centers around "whether...business, substantial enough is foreclosed to competitors by the tie." This court found that there was "zero foreclosure," and thereby, no violation of the Sherman Act, as the tied product of referral services for the undeveloped lots was "completely unwanted by the buyer." Blough would prevail only if it was shown that he, or others, desired the referral services for the undeveloped plots but were unable to purchase them due to the unlawful tying arrangement. Here, Blough was only interested in the developed homes and could not show that there was a market for the tied product.

Opinion by Judge Richard C. Tallma.
— Linda Choi

Real Property

■ Quitclaim deed properly transfers title where deed was executed and delivered prior to third-party alteration.

Lee v. Lee, California Courts of Appeal - 5th District, No. F056107, July 29, 2009

In 1985, George Lee (George) and other family members pooled their resources to purchase parcels of land. George owned an interest in one of the parcels known as Lot 5. Faced with a lawsuit in 2002, George transferred his interest to his niece, Fue Sue Lee (Fue Sue). George and his wife, Kathy, prepared a quitclaim deed that conveyed their interest to Fue Sue; consideration for the transfer was noted as "gift." Fue Sue signed the deed and sent it to relatives for recording. However, before the deed was recorded, Ge Lee and Vong Lee (collectively, Ge) were added as grantees. In 2005, George had Fue Sue execute a deed reconveying Lot 5 to himself and Kathy. Ge and Fue Sue filed suit for various claims, including quiet title. The trial court found that the transfer to Fue Sue was valid despite the alteration and invalid as to all subsequent transfers. George argued that the alteration of the 2002 deed rendered it void.

The decision was affirmed. The statute of frauds requires "contracts for the sale of real prop-

erty, or of an interest therein...[to be] in writing" and signed by the "party to be charged." A valid deed is an executed contract when it is "executed by the grantor and delivered to the grantee." A contract is not made void upon alteration by a third party. Rather, the contract becomes "enforceable in accordance with its original terms." This court found that the 2002 deed to Fue Sue was valid; it was "executed and delivered" to her and title vested before alteration by a third party. Any subsequent alteration after the deed's delivery did "not divest the original grantee of title." Thus, George validly transferred title to Fue Sue in 2002. However, this court concluded that the 2005 reconveyance was procured through misrepresentation and was therefore invalid.

Opinion by Justice Levy.
— Linda Choi

Taxation

■ Charge imposed on parcels connected to utility systems regardless of whether services are being used does not require voter approval.

Paland v. Brooktrails Township Community Services District Board of Directors, California Courts of Appeal - 1st District, No. A122630, July 31, 2009

The Brooktrails Township Community District (District) provided water and sewage services to several real property parcels. Until 2003, the District did not charge base rates to parcels with inactive connections to the water and sewer systems. In 2003, the District's Board of Directors (Board) established monthly base rates regardless of whether the owner was actually using the services. In 2006, David Paland, a property owner whose land was connected to the services, was charged under the new policy while he was not using the services. Paland sued the Board, arguing that the monthly base rates were "standby charges," which constituted assessments requiring voter approval under Proposition 218. The trial court found that the policy was valid because the base rate fee constituted a "property-related" fee that did not require approval by a majority of affected property owners.

The decision was affirmed. Charges for services that are "immediately available" to property owners, but not actually used, are fees that do not require voter approval. However, standby charges for "potential or future use of a service" are defined as assessments and require voter approval. Here, Paland argued that "immediately available" referred to water actually flowing from a faucet when the tap is turned on. However, this court held that services were "immediately available" when the agency has provided the necessary service connections. Here, services were immediately available to Paland because the necessary connections allowed him to use the services at his discretion. As a charge for "immediately available" fees, the base rate did not require voter approval.

Opinion by Justice Bruiniers.
— Seena Nikravan

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