

# 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.

### MULTIFAMILY

**OCEANSIDE** — The Prime Group purchased two apartment complexes from Northwestern Mutual Life Insurance Co. for a total of \$84 million. The Villages of Monterey is a 424-unit community at 3901 Mesa Drive that went for \$52 million, while Montecito Village is a 234-unit complex at 4302 Cassanna Way that sold for \$32 million. Ed Rosen, John Chu and Alejandro Lombrozo of **Cushman & Wakefield** represented the seller, while Chu and Rosen represented the buyer as well.

**LOS ANGELES** — Meridian Capital Group arranged \$27 million in permanent financing for a 395-unit multifamily portfolio of 11 properties located throughout Southern California. The non-recourse loan has a 5.6 percent fixed interest rate for 10 years. Alex J. Katz and Shana Klisanin negotiated the financing.

**WALNUT CREEK** — La Casa Del Rio, an 18-unit apartment property at 1376 Creekside Drive, sold for \$2.75 million. Brandon Geraldo and Jon Holmquist of **Marcus & Millichap Real Estate Investment Services** represented the buyer and seller.

**ANAHEIM** — Ohana Investment and Management purchased Willow Tree Apartments, a 24-unit apartment complex at 2114-2147 S. Mallul Drive, for \$2.5 million from the Downs Family Trust. Jay Skenderian and Ken Morgan of **Morgan Skenderian Investment Real Estate Group** represented both parties.



912 E. Maple St., Glendale

**GLENDALE** — Maple Townhouse Apartments, a five-unit apartment property at 912 E. Maple St., sold for \$1.3 million. Mark Groves and Nick Simpson of **Marcus & Millichap Real Estate Investment Services** represented the seller.



747 Southview Road, Arcadia

**ARCADIA** — A five-unit apartment property at 747 Southview Road sold for \$1.1 million. Priscilla Nee of **Marcus & Millichap Real Estate Investment Services** represented the seller, while Eric Chen and Kevin Struve, also of **Marcus & Millichap**, represented the buyer.

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### RETAIL

**CHINO HILLS** — SKT Investments purchased a portion of Crossroads Marketplace, a 539,270-square-foot retail center at the southwest corner of Peyton Drive and the 71 freeway, for \$79 million. Philip D. Voorhees, Todd Goodman and Kirk Brummer of **CB Richard Ellis** represented the seller.

**CHINO HILLS** — GAS Distomo Inc. purchased Crossroads Entertainment Center, a 90,879-square-foot regional retail center anchored by Harkins Theatres and located at 3060, 3070 and 3090 Chino Ave., for \$75 million from 26 Del Sur Crossroads LLC. Donald MacLellan and Nick Coe of **Faris Lee Investments** represented the seller, while Mitch Rosen of **Commercial Real Estate Services** represented the buyer.



1370 Frazee Road, San Diego

**SAN DIEGO** — Doing business as Maria Maria Restaurant, a group of investors — Carlos Santana, chef Roberto Santibañez and partner Tom Gonzalez in association with Jeff and Rick Dudum of Dudum Sports & Entertainment — has signed a 10-year, \$4.8 million lease for 10,717 square feet of retail space in the Hazard Center at 1370 Frazee Road from Principal Real Estate Investors. John Jennings and Aaron Hill of **Cushman & Wakefield** represented the lessor, while Rhonda Diaz of **Terranomics Retail Services** represented the lessee.

**CORONA** — Citrus Village II, a 6,000-square-foot strip retail building anchored by Wal-Mart and located at 2310 California St., sold for \$2.9 million. Scott Hook of **Marcus & Millichap Real Estate Investment Services** represented the seller.

**CARLSBAD** — Children's Villages signed a 10-year, \$1.2 million lease for 6,000 square feet of retail space at 2504 El Camino Real from Hughes Investments. Bruce Schiff, Phil Lyons and Chad lafrate of **Grubb & Ellis | BRE Commercial** represented the lessor, while Kirk Allison of **Colliers International** represented the lessee.

**SAN DIEGO** — Jersey Mike's Subs signed a 10-year, \$788,000 lease for 1,755 square feet of retail space at 8590 Rio San Diego Drive from R.V.S. Retail LP, in care of Sudberry Properties. John Still of **Flocke & Avoyer Commercial Real Estate** represented the lessor, while Daniel Fitzgerald, Michael Burton and Robb Frye of **Grubb & Ellis | BRE Commercial** represented the lessee.

**ALHAMBRA** — Newport Dessert Co. signed a 10-year lease for a total of 23,000 square feet of retail space at 1000 S. Fremont Ave., comprised of a 19,000-square-foot kitchen and a 4,000-square-foot café, from The Ratkovich Co. Linda Lee of **Grubb & Ellis** and William R. Boyd, Jr. of **Verdugo Consulting LLC** represented both parties.

**SACRAMENTO** — Blockbuster Video leased 5,916 square feet of retail space at 2598 Fair Oaks Blvd. from Lyon Village Associates. Greg Thomas of **Cornish & Carey Commercial** represented the lessor.

**MANTECA** — Rue 21 Inc. leased 4,500 square

feet of retail space at 2120-2369 Daniels St. from Manteca Stadium Park LP. John Austin and Kelli Trujillo of **Cornish & Carey Commercial** represented the lessor.

**HEALDSBURG** — Williamson Wines leased 3,036 square feet of retail space at 132-134 Matheson St. from Jon Steoumen. Bill Faherty and Rhonda Deringer of **Keegan & Coppin Co. Inc.** represented the lessor, while Faherty represented the lessee.

**ANTIOCH** — Najaar Sadeddin and Randa Rateb leased 2,550 square feet of retail space at 1336 Sunset Drive from Skyland Properties. Keith Marr of **Cornish & Carey Commercial** represented the lessee.

**ROSEVILLE** — Paul and Keonmony Li leased 862 square feet of retail space at 1090 Pleasant Grove Blvd. from Donahue Schriber Realty Group. Greg Thomas of **Cornish & Carey Commercial** represented the lessee.

**SAN FRANCISCO** — Russian Treasure leased 228 square feet of retail space at 2800 Leavenworth St. from Anchorage Holdings LP. Julie Taylor of **Cornish & Carey Commercial** represented both parties.

### OFFICE

**LOS ANGELES** — Experian signed a \$5 million lease renewal for 30,000 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Rick Sherburne of **Cushman & Wakefield** represented the lessee.

**LOS ANGELES** — TV Guide signed a \$2.5 million lease for 25,000 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Eric Duncanson of **Cushman & Wakefield** represented the lessee.

**LOS ANGELES** — Blockbuster Inc. signed a \$2.5 million lease for 12,000 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Trizec West / Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Mike DeSantis and John Doyle of **Cushman & Wakefield** represented the lessee.

**LOS ANGELES** — Integrated Data Corp. signed a \$1.8 million lease for 9,500 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Eric Lastition of **Colliers Seeley International** represented the lessee.

**LOS ANGELES** — Corbis Corp. signed a \$1.8 million lease for 8,800 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Steven Kokszy of **Newmark Knight Frank** represented the lessee.

**SAN DIEGO** — Nicol Investment Co. signed a 43-month, \$339,000 lease renewal for 2,885 square feet of office space in the High Bluff Del Mar building at 12555 High Bluff Drive from Scientific Investments LP. Brunson Howard and Steve Wolf of **Cushman & Wakefield** represented both parties.

**SAN DIEGO** — Burdman Law Group signed a 60-month, \$314,837 lease for 1,797 square feet of office space in the High Bluff Del Mar building at 12555 High Bluff Drive from Scientific Investments LP. Brunson Howard and Steve Wolf of **Cushman & Wakefield** represented both parties.

**SAN DIEGO** — Christopher Weil & Co. signed a 36-month, \$211,000 lease renewal for 2,190 square feet of office space in the High Bluff Del Mar building at 12555 High Bluff Drive from Scientific Investments LP. Brunson Howard and Steve Wolf of **Cushman & Wakefield** represented the lessor, while Glenn Friedrich of **CresaPartners** represented the lessee.

**SAN DIEGO** — Biovascular Inc. signed a 20-month, \$167,000 lease for 2,979 square feet of office space at 12230 El Camino Real from Cognac Del Mar Owner II LLC. Rick Reeder and Joe Anderson of **Grubb & Ellis | BRE Commercial** represented the lessor, while Craig Knox of **Irving Hughes** represented the lessee.

**SAN DIEGO** — EDR Valuations signed a 36-month, \$115,728 lease for 1,129 square feet of office space in the High Bluff Del Mar building at 12555 High Bluff Drive from Scientific Investments LP. Brunson Howard and Steve Wolf of **Cushman & Wakefield** represented both parties.

**ALHAMBRA** — DeVry University signed a seven-year lease for a total of 16,000 square feet of office space at 1000 S. Fremont Ave. from The Ratkovich Co. Linda Lee of **Grubb & Ellis** and William R. Boyd Jr. of **Verdugo Consulting LLC** represented the lessor. Travis N. Boyd of **Cushman & Wakefield** represented the lessee.

**SAN FRANCISCO** — CMG Mortgage leased 11,782 square feet of office space at 22 4th St. from Jamestown Pacific Place. Nick Slonek of **Cornish & Carey Commercial** represented the lessee.

**CONCORD** — Land/Home Financial Services Inc. leased 11,126 square feet of office space at 1355 Willow Way from CCC Employees Retirement Association. Vicky DeYoung and Breck Lutz of **Cornish & Carey Commercial** represented both parties.

**PALO ALTO** — Acuitus Inc. leased 10,802 square feet of office space at 1891 Page Mill Road from CFO2 Palo Alto. Brad Van Linge, Kristoph Lodge and Lei-Lani Keelan of **Cornish & Carey Commercial** represented both parties.

**CAMPBELL** — Urological Surgeons of Northern California leased 9,410 square feet of office space at 2165 S. Bascom Ave. from Messinger Trust. Rusty Cohan and John Kraft of **Cornish & Carey Commercial** represented the lessee.

**REDWOOD CITY** — Precise Software Solutions leased 7,932 square feet of office space at 3 Twin Dolphin from TA Associates Realty. Bob Garner, Josh Rowell and Craig Kalinowski of **Cornish & Carey Commercial** represented the lessee.

**LOS ANGELES** — Ricoh Americas leased 7,800 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented both parties.

**PLEASANTON** — TW Associates leased 3,852 square feet of office space at 5976 W. Las Positas Blvd. from Cranbrook Realty Investment Fund LP.

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## DEALS

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Marcy Place of **Cornish & Carey Commercial** represented the lessee.

LOS ANGELES — Semzi Corp. leased 3,750 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Neil Resnick and Nicole Gregoire of **Grubb & Ellis** represented the lessee.

LOS ANGELES — Matrix Environmental leased 3,300 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Nick Christianson of **CB Richard Ellis** represented the lessee.

SAN FRANCISCO — Fidelity National Title Insurance Co. leased 3,255 square feet of office space at 1288 Sutter St. from Wealth Properties. John Cashin of **Cornish & Carey Commercial** represented the lessee.

SAN FRANCISCO — Geotechnical Consultants Inc. leased 3,248 square feet of office space at 500 Sansome St. from 500 Sansome LLC. John Cashin and Raquel Ledesma of **Cornish & Carey Commercial** represented the lessee.

SAN DIEGO — Novalar Pharmaceuticals signed a lease expansion for an additional 3,214 square feet of office space to its existing 6,369-square-foot lease in the High Bluff Del Mar building at 12555 High Bluff Drive from Scientific Investments LP. Brunson Howard and Steve Wolf of **Cushman & Wakefield** represented both parties.

LOS ANGELES — Drake Beam Moran Inc. leased 2,500 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented both parties.

LOS ANGELES — Brooks Kushman leased 2,250 square feet of office space in the Howard Hughes Center at 6080 Center Drive from Equity Office Properties. Hunt Barnett, Chris Houge, Rick Buckley and Beau Rawi of **Madison Partners** represented the lessor, while Jennifer Resnick of **First Property** represented the lessee.

ORANGE — Telespan Network Services Inc. signed a one-year lease for 1,749 square feet of office space at 1748 W. Katella Ave. from KCC LLC. Matt Didier of **Grubb & Ellis** represented the lessor, while Marshal Vogt of **Lee & Associates** represented the lessee.

SANTA ROSA — Lisa Lund and Marcia Gomez leased 1,200 square feet of office space at 1212 College Ave. from Coggins-Simons. Dough Braik of **Keegan & Coppin Co. Inc.** represented the lessor, while Annette Cooper, also of **Keegan & Coppin**, represented the lessee.

LARKSPUR — Jeffrey Schlichting leased 490 square feet of office space at 467 Magnolia from Magnolia/Larkspur LLC. Bill Hester of **Keegan & Coppin Co. Inc.** represented both parties.

### MIXED USE

SAN DIEGO — Senior Community Centers purchased a 12,084-square-foot building with retail, office and warehouse space at 1515-1525 Fourth Ave. for \$4.25 million from Hartung Property 2 LLC. Bud Marsh and Marc Frederick of **Colliers International** represented the seller, while Fred

Schnaubelt of **Schnaubelt and Sons** and John Calabatta of **Lumen Cos.** represented the buyer.

### INDUSTRIAL

IRVINE — South Coast Foundation signed a 10-year, \$4.2 million lease for 28,902 square feet of industrial/research-and-development space at 2727 Campus Drive from Greenlaw Partners LLC. Brian Garbutt of **Lee & Associates** represented the landlord, while Joe Bevan of **Jones Lang LaSalle** represented the tenant.



10547 Viper Way, San Diego

SAN DIEGO — SPARTA Inc. renewed its lease on a 32,180-square-foot industrial building at 10547 Viper Way for five years at a total of \$1.5 million from Western States Technologies Inc. Bill Dolan of **CB Richard Ellis** represented the lessor, while Ty Moffat of **Colliers International** represented the lessee.

HUNTINGTON BEACH — Shasta Tire and Rubber sold a 12,319-square-foot industrial building at 5401 Business Drive for \$1.5 million. Darin McDonald and Ted Sawyer of **Lee & Associates - Newport Beach Inc.** represented the seller, while the buyer represented itself.

VISTA — Bulldog Rubber and Recycling Inc. signed a seven-year, \$943,000 lease for 12,785 square feet of industrial space at 2241 La Mirada Drive from the Michael P. Preising Trust. Dean Tilton of **Tilton Realty** represented the lessor, while Trent France of **Grubb & Ellis | BRE Commercial** represented the lessee.

ORANGE — CHOC signed a five-year, \$405,000 lease for 10,000 square feet of industrial space at 810 W. Collins from Antoyan Investments. David Williams of **Lee & Associates - Orange Inc.** represented the landlord, while Sonya Dopp-Grech, also of **Lee & Associates**, represented the lessee.

CARLSBAD — Flight Crew Systems Inc. signed a five-year, \$282,000 lease for 3,132 square feet of industrial space at 6138-6142 Innovation Way from Ryan Cos. US Inc. Bob Willingham of **Coldwell Banker Commercial** represented the lessor, while Dennis Visser, Aric Starck and Steven Field of **Grubb & Ellis | BRE Commercial** represented the lessee.

CARLSBAD — Ligne Roset Furniture signed a four-year, \$226,000 lease for 5,952 square feet of industrial space at 6211 Yarrow Drive from A & S Realty II LP. John Orlando of **Grubb & Ellis | BRE Commercial** represented both parties.

SAN BERNARDINO — Interline Brands Inc. leased 141,650 square feet of warehouse space in AllianceCalifornia at 310 S. Tippecanoe St. from Hillwood. Peter B. McWilliams, Ruben V. Goodsell and Michael McCrary of **Colliers International** represented the lessor, while John McDaniel of **Mohr Partners** represented the lessee.

SOUTH SAN FRANCISCO — Rush Delivery Service leased 11,000 square feet of warehouse space at 330 Shaw Road from Jackson and Joyce Cheng. Jay Leslie of **Cornish & Carey Commercial** represented the lessee.

SOUTH SAN FRANCISCO — Trellis Bioscience leased 11,000 square feet of research-and-development space at 2 Corporate Drive from Amgen. Randy Scott of **Cornish & Carey Commercial** represented the lessee.

## REAL ESTATE in the courts

### Real Property

■ **Landlocked property is not entitled to easement by necessity where federal government did not reserve right of access over adjacent property.**

*Murphy v. Burch, California Supreme Court, No. S159489, April 27, 2009*

In 1932, the federal government deeded four landlocked parcels to John Bridges. In 1998, Cheryl Murphy bought these parcels. Murphy's property was located east of two parcels owned by Roger Burch, conveyed by the federal government in 1929. The only public road in the vicinity of the properties was California State Highway 162 (Highway 162). The sole means of access to the Murphy property was a private road (Access Road), which extended from Highway 162 and crossed the Burch property before entering Murphy's property. Murphy filed a quiet title action, seeking to establish an easement for the portion of the Access Road on the Burch property. Burch sought to enjoin use of the Access Road by Murphy. The trial court found that Murphy was entitled to an easement by necessity. The Court of Appeal reversed.

The decision was affirmed. An easement by necessity arises by implication when there is a strict necessity for the claimed right of way and the properties are under common ownership at the time of conveyance. However, if common ownership is traced to the federal government, courts look to Congress' intent in determining whether a right of access exists. Here, the government conveyed Burch's properties by 1929. When the government conveyed Murphy's properties in 1932, it no longer owned the Burch properties. Hence, common ownership was lacking. Further, the government did not expressly reserve an easement over Burch's property on the Access Road leading to Highway 162. As such, the government did not intend to reserve a right of access for the benefit of the Murphy property. Accordingly, Murphy's claim failed.

*Opinion by Justice Baxter.*  
— Seena Nikravan

### Constitutional Law

■ **Adult club is denied conditional use permit for sale of alcohol where court finds that right to sell alcohol is unprotected activity.**

*SP Star Enterprises Inc. v. City of Los Angeles, California Courts of Appeal - 2nd District, No. B204045, April 28, 2009*

The City of Los Angeles (City) issued a certificate of occupancy to SP Star Enterprises Inc. (Star), which allowed Star to operate an adult club with nude entertainment. Later, Star applied for a conditional use permit for the sale and on-site consumption of alcohol at the club. The City's Zoning Administrator granted the application for one year. However, the Los Angeles Homba Hongwanji Buddhist Temple (the Temple) and the Fukui Mortuary, which were located in the same area as the club, appealed the approval to the Central Area Planning Commission (APC). They argued that the proposed use did not match the religious and community uses within the area. At a public hearing, the APC upheld the appeal and denied the conditional use permit. The trial court denied Star's petition for a writ of mandate. On appeal, Star claimed that it was entitled to special "treatment because it engaged in a disfavored form of protected expression."

The decision was affirmed. Courts review

administrative decisions depending on the nature of the right involved. If no fundamental vested right is involved, the trial court may only examine the record to find whether the agency's findings are supported by substantial evidence. In general, decisions affecting purely economic interests do not involve fundamental vested rights. Here, the impact of APC's decision on Star was purely economic in that it hindered Star's ability to sell alcohol. Thus, the "substantial evidence" standard applied to this case. Here, the record showed that approval of the application would negatively impact the area. Hence, denial of the application was supported by substantial evidence.

*Opinion by Justice Klein.*  
— Seena Nikravan

### Environmental Law

■ **United States Army Corps of Engineers' scope of analysis in examining development is too narrow where washes were dispersed throughout site.**

*White Tanks Concerned Citizens Inc. v. Strock, US Court of Appeals - Ninth Circuit, No. 07-15659, April 29, 2009*

The United States Army Corps of Engineers (Corps) issued a dredge and fill permit under the Clean Water Act to developers that intended to build homes near the White Tank Mountains in Arizona. The site contained several washes, which were dispersed throughout the development site. Due to the need for the permit, known as a Section 404 permit, the National Environmental Policy Act (NEPA) required the Corps to examine the impacts of dredging and filling on the environment. In 2003, the Corps issued a public notice for comments. Commenters criticized the Corps' decision to restrict its analysis to the washes and upland areas. Despite the comments, the Corps issued a Finding of No Significant Impact (FONSI) with respect to the specific area that it considered. As a result, White Tanks Concerned Citizens Inc. (WTCC) sued the Corps, opposing the Section 404 permit. The trial court granted the Corps summary judgment.

The decision was reversed and remanded. When waters within the jurisdiction of the Corps are concentrated in specific areas, the Corps' analysis may be limited to the effect on those specific waters. The Corps need only examine the impact of activities covered by the permit, rather than impacts on the entire development. On the other hand, when waters are dispersed throughout the development, the Corps' analysis must include the entire property. Here, the trial court found the limited analysis sufficient because most of the development could be built without filling washes dispersed throughout the site. However, this court opined that washes outside of the site would have to be filled as well. Thus, the Corps should have analyzed the entire site.

*Opinion by Judge Mary M. Schroeder.*  
— Seena Nikravan

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