

ties that may price as soon as Wednesday, according to a person familiar with the offering.

The general-obligation bonds will be split among debt maturing in four, five, six, seven, 25 and 30 years, said the person, who declined to be identified because terms aren't set.

The four-year notes may price to yield about 375 basis points more than similar-maturity Treasuries; the five-year debt may yield about 335 basis points more than benchmarks; the 6-year debt may yield about 355 basis points more than Treasuries; the seven-year debt may pay about 350 basis points more, and the 25- and 30-year debt may both pay a spread of about 375 basis points more than benchmarks, the person said.

A basis point is 0.01 percentage point.

The sale is being managed by

See **Bonds** on 2B

ects totaled 1.3 million square feet and drastically less than first quarter 2007 when the total was more than 3.0 million square feet," the report stated.

Net office absorption during the first quarter of 2009 totaled a negative 550,000 square feet, representing the largest quarterly decline in recent memory, according to CBRE.

Nineteen of the 27 San Diego County office submarkets totaled negative net absorption for the quarter, while none totaled more than 50,000 square feet of positive growth, according to CBRE. Furthermore, the eight submarkets witnessing positive growth during the quarter only reported a combined total of approximately 56,000 square feet.

The bulk of new construction is occurring in Central San Diego with roughly 321,000 square feet under construction, accounting for approximately 55 percent of the county's total.



COMMERCIAL SALES

Additional commercial sales data is available online at www.sddt.com/databases/commercialsales

THE TOP COMMERCIAL SALES OF THE DAY

1. The store building at 1568-70 Sixth Ave, San Diego, 92101, was sold by Hartung Property 2 to GMWSWC, LLC on 04/13/2009. **Tax Value \$4,250,000.**
2. The 6 unit, multi-residential at 3183 Jefferson St, Carlsbad, 92008, was sold by Edmund L. Janicki and Ryan T. Janicki, et al to Carlsbad MAC Properties, LLC on 04/13/2009. **Tax Value \$1,000,000.**
3. The 5 unit, multi-residential at 2002-10 30th St, San Diego, 92104, was sold by Thirty Street, LLC to Atlas at 30th Street, LLC on 04/14/2009. **Tax Value \$725,000.**

HOME SALES

Additional home sales data is available online at www.sddt.com/databases/homesales

THE TOP FIVE HOME SALES OF THE DAY

1. The house at 735 Lynwood Dr, Encinitas, 92024, was sold by Donald C. Hannay, Sr., trustee, to Gary Cinotto and Jean M. Cinotto on 04/13/2009. **Tax Value \$1,162,500.**
2. The house at 5239 Sanddollar Ct, San Diego, 92130, was sold by Christopher R. Hibbert and Avril L. Hibbert, co-trustees, to Terence Tai-Li Hwa and Joyce Lut-Klu Keung Hwa on 04/14/2009. **Tax Value \$1,025,000.**
3. The condo at 5139 Bareback Sq #5, San Diego, 92130, was sold by Bruce A. Huebner and Julie B. Huebner, trustee, to Golden Eagle Land Investment, LP on 04/14/2009. **Tax Value \$1,000,000.**
4. The duplex at 505 Puerta de Lomas, Fallbrook, 92028, was sold by Indymac Federal Bank, FSB, successor, to James M. Long and Terry J. Long, trustees on 04/14/2009. **Tax Value \$820,000.**
5. The house at 2728 Granada Ave, San Diego, 92104, was sold by Lance Von Dyl and Anne M. Von Dyl, trustees, to Philip E. Maitien, trustee on 04/14/2009. **Tax Value \$810,000.**

See **Home sales** on 8B

~DEAL OF THE WEEK~ COMMERCIAL/SALE

Downtown San Diego corner sold

SAN DIEGO — Victor Krebs and Rob Morgan, of **Colliers International**, represented the seller of the Deal of the Week.

Tim Winslow and Jason Kimmel, of **Grubb & Ellis Commercial|BRE Commercial** represented the buyer.

The deal was the sale of the approximately 20,000-square-foot corner parcel at 405 W. Ash Street and 1330-1352 State St. in downtown San Diego for \$6.25 million.

The buyer was **Chhatrala Ash and State, LLC**, a California limited liability company with **Chhatrala Investments LLC** as its manager. Hemant Chhatrala and Shailesh Patel are members of Chhatrala Investments. The site has mixed-use zoning and is currently a parking lot. The acquisition was for future redevelopment.

The seller of the property was **D & A Semi-annual Mortgage Fund III, L.P.**, a California limited partnership with **Asset Managers Inc.** as general partner.

Holly Lunde is an officer of Asset Managers. The seller took back a trust deed for \$4.6 million.

The corner property was sold in June 2006 for \$7.6 million. The loan financing the June 2006 sale went into default in September 2007. The property was sold at trustee's sale in August 2008.

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Colorado among rivers drying up

By JIM EFSTATHIOU JR.
Bloomberg News

BOULDER, CO — Global warming is drying up rivers that provide water to residents of the Southwest U.S., China, India and West Africa, threatening food supplies, scientists said.

In Monday's report by the National Center for Atmospheric Research (NCAR) on the Colorado River, Tim Barnett, a marine physicist with the Scripps Institution of

Oceanography in San Diego, said a 20 percent reduction in runoff may lead to water shortfalls in the Southwest United States in one of every three years beginning in 2010.

Storage reservoirs along the 1,450-mile (2,330 kilometers) river that flows through the Grand Canyon are at 54 percent of capacity, down from 89 percent in 2000, according to the U.S. Bureau of Reclamation.

See **Colorado** on 2B

Industry Briefs

California Water

(Bloomberg) — **California Water Service Group**, the third-biggest U.S. water supplier by revenue, said lenders shortened the due date and boosted interest payments on two revolving credit lines.

Bank of America Corp. (NYSE: BAC) will get an interest rate 75 basis points less than its prime rate or, alternatively, 1 percentage point more than the London interbank offered rate, the San Jose-based water company said Tuesday in a regulatory filing.

One basis point is 0.01 percentage point. The revolving loans will mature 364 days after the amendment, dated April 17.

California Water said it paid 1.5 percentage points less than the prime rate or 25 basis points more than the Libor benchmark prior to the agreement.

Bank of America's prime rate is 3.25 percent, according to data compiled by Bloomberg. The loans were originally due April 30, 2012, the company said.

The \$75 million revolver consists of two lines of credit worth \$20 million and \$55 million, according to Bloomberg data.

Commitment fees on both credit lines will also increase, according to the filing and Bloomberg data. California Water paid an annual fee of \$4,400 on the \$20 million loan and \$12,000 on the \$55 million loan, Bloomberg data show.

The company will now make a 0.15 percent quarterly payment on unused portions of both loans.

Freddie Mac sale

(Bloomberg) — **Freddie Mac** (NYSE: FRE), the mortgage-finance company, plans to sell five-year reference notes, after placing \$1 billion of debt in a reopening of a previous issue.

The new notes, which mature April 23, 2014, will be priced Wednesday, the company said Tuesday. The offering will be benchmark size, Freddie said, or at least \$3 billion.

The reopening of 1.625 percent securities maturing April 26, 2011, priced at a stop yield of 1.338 percent, about 0.45 percentage point more than two-year Treasuries, according to a separate statement.

A stop rate in a bond auction is the highest yield at which bids by investors to buy the securities are accepted. The bid-to-cover ratio was 3.42 to 1.

Deutsche Bank AG, Goldman Sachs Group Inc. and Morgan Stanley were hired to manage the sale of five-year debt, the company said.

Freddie Mac also said Tuesday it is auctioning a \$1 billion reopening of 1.625 percent two-year reference notes over the Internet.

The company said after the reopening of the notes, the total outstanding size of the two-year reference notes security will be \$6 billion.

New Jersey voters

(Bloomberg) — New Jersey residents may reject a greater percentage of school budgets than last year when

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