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A way out

The way out from under bad debt and risky mortgages may be a lot like what got banks in trouble in the first place.

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REAL ESTATE

CONSTRUCTION

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Real Estate Briefs

By Richard Spaulding

Apartment on Robinson in Hillcrest sold

The eight-unit residential property in Hillcrest at 1035-1047 Robinson Ave., San Diego 92103, has been sold for \$1.83 million.



The property consists of a pair of two-bedroom cottages, six one-bedroom units, eight garages on an alley, and six off-street parking spaces.

Each unit has its own patio and garage.

The complex was built by architect Olaf Norsven in 1933, and renovated in 2008.

See RE Briefs on 3B

WTC owners finish paying \$300K/day

NEW YORK (AP) — The owners of ground zero say they've stopped paying

Residential building permits in July reach lowest level since Feb.

By JEN LEBRON KUHNEY
The Daily Transcript

SAN DIEGO — After San Diego homebuilding picked up through spring, July brought the lowest home building permit totals since February and the fourth-lowest number of units permitted this decade.

There were 145 single-family and 32 multi-family housing unit permits issued in July, according to a Construction Industry Research Board (CIRB) report released Monday.

The total number of permits issued is nearly 60 percent lower than the 343 issued in June and 66 percent lower than the year-high mark in March.

"It's striking when you consider we are in a county of three million people and our permit activity is anemic," said San Diego Building Industry Association Deputy Director Matthew Adams.

The drop off in July, however, is not uncommon.

Typically, the second half of the year brings fewer housing starts.

From 2000 to 2008, the first half of the year produced 24 percent more permits

American, filing for bankruptcy. The 30-year old form filed for Chapter 7 liquidation earlier this month.

It is just one of the homebuilders in the area facing trouble.

"We are in a world of hurt," Adams said. "It's not hard to see that as we've lost 40,000 jobs."

Other homebuilders have watched their properties go into foreclosure or sit incomplete due to a lack of funds coming in.

With less new-home inventory on the market, Adams said it could cause a supply shortage in a few years.

"Housing responds to growth. Growth doesn't respond to housing," he said.

"Let's say you're not going to build any more houses. Let's say you're going to put a little moratorium out there. You're going to have doubling up. The roads are still going to get more crowded. You're still going to get more and more people."

Adams said the BIA would like to see growth happen slowly over time to avoid another big bubble and its

See Permits on 3B



A \$12.6-million loan arranged for 3525 John Hopkins Court

Grubb & Ellis/BRE Commercial's Capital Markets Group arranged a \$12.6-million loan for Hopkins 3525 Court, LLC, owner of the 48,233-square-foot wet lab facility at 3525 John Hopkins Court, San Diego, that secured the loan. Gary Goss, a member of the Capital Markets Group, arranged the loan.

DM Park L.P. is the sole member of Hopkins 3525, and DM GP is the general partner of DM Park. David J. Winkler is president of DM GP.

The lender, California Bank & Trust, provided a customized five-year revolving line of credit with an option to extend the term.

In fall 2008, the University of California, San Diego signed a 10-year lease valued at more than \$19 million for the 48,233-square-foot biotech research building at 3525 John Hopkins Court. The building will house several different divisions of UCSD's research arms. The building and 2-acre site had recently been vacated by Schering Plough. The bank line of credit will be used as part of a \$100 million real estate acquisition, fund overseen by Del Mar Partnership, Inc., a 30-year old real estate development and acquisition firm with over \$250 million in assets founded by Ivan C. Gayler and Winkler. Targeted assets include heavily discounted notes, REO and other fee-simple property, from \$5 million to \$100 million located in the western United States.