

By J.W. ELPHINSTONE
The Associated Press

For thousands of low-income renters nationwide — but especially in rural towns and small cities — the recession is hitting home in an unexpected way.

Nationwide, funding to build low-cost apartments has dropped by more than half in two years to \$4 billion.

Hundreds of projects can't get off the ground because the federal tax credits that help offset development costs are currently worthless to traditional investors.

Georgia, for example, typically funds about 30 projects a year using up to \$20 million in federal tax credits.

See **Crisis** on 2B

expectations and a default is expected prior to the maturity of the loan," Fitch wrote about the Smith Barney building.

"We're obviously in a tough economy, but we are always doing everything we can to keep our buildings filled and our tenants happy," said Brittain Cheney, Irvine vice president of leasing, in a statement. "Even in these challenging times, we just completed a record leasing year for the company and have signed 1.6 million square feet of leases since July 1."

"About 250,000 square feet of that total has been in the San Diego market. "We are also seeing signs that the San Diego market is stabilizing with more tenants in the marketplace and



COMMERCIAL SALES

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

THE TOP COMMERCIAL SALES OF THE DAY

1. The 162 unit, multi-residential at 3101-87 Cooley Way, San Diego, **92117**, was sold by Evans Withycombe Residential, L.P. to Hidden Lake Associates, L.P. on 08/21/2009. **Tax Value \$26,100,000.**
2. The 15 unit, multi-residential at 916 Fourth Ave, Chula Vista, **91911**, was sold by Pacific Mercantile Bank to Eugene P. Berger and Janet S. Berger, trustees on 08/21/2009. **Tax Value \$2,431,000.**
3. The light manufacture at 1202 Piper Ranch Rd, San Diego,

- 92154**, was sold by BCL-Otay Investments, LLC to Hwa Sik Choi on 08/21/2009. **Tax Value \$1,355,500.**
4. The 5 unit, multi-residential at 120 A-E Sunset Dr, Encinitas, **92024**, was sold by DFTC, Inc. to Brian A. Mertz, trustee on 08/21/2009. **Tax Value \$1,160,000.**
5. The 3 unit, multi-residential at 1411 Oliver Ave, San Diego, **92109**, was sold by John J. Ronis and Susan M. Clemens-Ronis to Mary E. Danis and James W. Brinson on 08/18/2009. **Tax Value \$1,070,000.**

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 16402 Via Cazadero, Solana Beach, **92075**, was sold by Staci E. Francois, trustee, to Howard Tung and Rachel Tung on 08/21/2009. **Tax Value \$3,750,000.**
2. The house at 389 Luzon Ave, Del Mar, **92014**, was sold by Terry A.H. Berk, trustee, to Victoria L. Welch, trustee on 08/24/2009. **Tax Value \$3,700,000.**
3. The house at 741 N. Granados Ave, Solana Beach, **92075**, was sold by John A. Trelease and Christine A.

- Trelease, trustees, to Eric C. Rosen on 08/25/2009. **Tax Value \$2,175,000.**
4. The house at 7667 Hillside Dr, La Jolla, **92037**, was sold by Thomas O. Thayer to Andrew A. Johnson and Jolene L. Han on 08/24/2009. **Tax Value \$1,960,000.**
5. The house at 14368 Blue Sage Rd, Poway, **92064**, was sold by Leslie A. Maher to Christian Doving and Elisabeth H. Doving, trustees on 08/25/2009. **Tax Value \$1,350,000.**

See **Home sales** on 4B

~DEAL OF THE WEEK~ COMMERCIAL/LEASE

Schirmer in Rancho Bernardo

SAN DIEGO — The lessee of the Deal of the Week was represented by Joe Bernstein of **Jones Lang LaSalle**. The lessor was represented by Chris Hobson and Robert Kuzman of **Grubb and Ellis|BRE Commercial**.

The deal was a lease by **AON Risk Services**, dba **Schirmer Engineering Corp.**, of 7,628 square feet of office space at 11770 Bernardo Plaza Court, Suites 116 and 117, San Diego, from **Sunroad Financial Partners LP**. The property was leased for 10 years at \$2 million.

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Carcioppolo manager at Hawthorne Cat



On the Move

By Thor Kamban
Biberman

SAN DIEGO — **Mike Carcioppolo** has been named corporate manager of **Hawthorne Cat**, a Caterpillar machinery dealer, and will be responsible for the rental operations in San Diego, Hawaii and Guam.

Carcioppolo has worked at Hawthorne for more than 20 years.

He is currently on the board

of directors of the San Diego Chapter of the Associated General Contractors.

Anton Greenville, a **Barnhart Inc.** executive vice president, and **Chris Haga**, Barnhart senior vice president, have both successfully completed the requirements for the Designated Design-Build Professional certification.

Greenville started his career with Barnhart 20 years ago as a framing foreman and has advanced to his present position.

See **On the Move** on 3B

Two Realtor groups get together

By JEN LEBRON KUHNEY
The Daily Transcript

SAN DIEGO — The Coronado Association of Realtors is no more, but it doesn't mean its members are without the support they've received since its inception more than 60 years ago.

The San Diego Association of Realtors (SDAR) and the former Coronado Association of Realtors approved a "Memorandum of Understanding" that will restructure the Coronado Association while bringing its members into the SDAR fold.

"We'd actually been looking at doing something like this...since the mid-'80s," said Mary Ann Kelly, president of the Coronado Association of Realtors.

Since the Coronado Association of Realtors was the smallest association of its kind, it made financial sense for its 200 members to join SDAR's 10,300, Kelly said.

Members of the Coronado Association of Realtors voted on the plan to restructure and join SDAR last month.

About 75 percent of the mem-

See **Realtors** on 3B

Industry Briefs

CBRE revises plan

SAN DIEGO — (AP) — **CB Richard Ellis Group Inc.** (NYSE: CBG) said Friday it will modify \$985 million in debt through agreements with lenders, not \$994 million in debt as stated earlier this week.

The Los Angeles-based commercial real estate services company corrected its Tuesday statement to say the required debt amortization payments due in 2010 will be \$182 million, rather than \$180 million as reported earlier.

The required debt amortization payments due in 2011 will be \$238 million, instead of \$234 million. And the outstanding term debt extended by 18 months to June 2013 is about \$248 million, instead of the previously reported \$257 million.

President and CEO Brett White said earlier this week that the agreements are part of a broader strategy to bolster its balance sheet.

Kansas fraud

(AP) — A Missouri man and an Iowa woman have pleaded guilty to a scheme to defraud mortgage lenders for \$3 million.

The U.S. Attorney's Office in Kansas said Thursday that 31-year-old Anthony E. Carollo of Raytown, Mo., and 25-year-old Rebecca Gelwix of Des Moines each pleaded guilty to one count of conspiracy to commit bank fraud, money laundering and wire fraud.

They admitted participating in a scheme where straw buyers would seek to buy homes that were for sale by owners and then obtain financing through falsified loan applications.

Carollo provided false verification of employment for the straw buyers to lenders. Gelwix was one of the straw buyers.

Realty Income

(AP) — Recent gains in **Realty Income Corp.**'s (NYSE: O) stock price have brought the shares to a level that reflects its strong balance sheet and other positives, a **Janney Montgomery Scott** analyst said Friday as he downgraded it to "Neutral" from "Buy."

Shares are up 33.5 percent since July 10, when the stock dipped to its lowest point since May, and have risen nearly 86 percent since March.

Analyst Andrew DiZio has a \$26.50 target price on the real estate investment trust, which develops commercial properties and leases them to retail chains.

The current price accurately reflects the company's value, he said in a note to investors: it doesn't have any debt due before 2013, its balance sheet is strong and its leasing practices leave it less vulnerable to tenant bankruptcies than some of its competitors, he said.

British prices

(AP) — House prices in England and Wales saw their biggest monthly rise in five years in July, a further indication that the housing market here is recovering from its crash, the **Land Registry** said Friday.

The average house sold for 155,885 pounds (\$254,360) in July, up 1.7 percent on the month before, according to the registry's house price index.

See **Industry Briefs** on 3B