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REAL ESTATE

CONSTRUCTION

Getting help

South Carolina's highest court temporarily stops thousands of pending foreclosure sales.

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The Daily Transcript

Thursday, May 7, 2009 / Section B



Real Estate Briefs

By Thor Kamban Biberman

202 acres near Ramona sold

A total of 202.53 acres of vacant land, plus a bowling alley along Dos Picos Park Road and Mussey Grade Road near Ramona, have been sold for \$3.75 million.

The buyer was Lloyd Wells, as trustee of the Lloyd Wells Gift Trust.

The seller (assessor's parcels 322-030-01, 278-231-02, 03 and 05) was **Golden Eagle Land Investment LP**, a California limited partnership by **Golden Eagle Management LLC**, a California limited liability company as its managing general partner by Larry Mabee as its sole member.

Mabee is the son of the late John Mabee, who once headed Golden Eagle Insurance and the former Big Bear Markets chain.

In early 2007, the Lloyd Wells Gift Trust sold a 12,932-square-foot building at 1310 Simpson Way for \$3.5 million.

In 2001, the Lloyd Wells Gift Trust acquired the 80,878-square-foot Parkway Business Center Five building in the South Poway Business Park for \$10.5 million.

The trust in 2006 leased

Longer leasing terms aid commercial lenders

By THOR KAMBAN BIBERMAN
The Daily Transcript

SAN DIEGO — The Federal Reserve has launched a program to boost commercial lending, but how much it will help is anyone's guess.

"I don't think anybody thought the 10-year treasury would be at around 3.10 percent and the banks wouldn't be loaning any money," said Mark Goode, of **Venture One Real Estate** during a recent Society of Industrial and Office Realtors conference at the Manchester Grand.

The Federal Reserve has announced plans to launch a program in June to bolster dormant commercial real estate lending. What's more, the Fed intends to provide longer five-year loans.

Shorter terms have been another major complaint of borrowers — that is if they could

get the funds at all.

The commercial real-estate lending industry especially welcomed the Fed's decision to offer longer loans.

"A five-year term (rather than three) is more consistent with the longer-term nature of commercial lending and will provide more flexibility to borrowers as they navigate the current real-estate cycle," said Christopher Hoeffel, president of the Commercial Mortgage Securities Association in a news statement.

The association "strongly advocated for a term of five years to kick-start investor demand," he added.

The longer five-year loans also will be available in June to investors who want to buy securities backed by student loans and loans guaranteed by the Small Business Administration,

See Leasing on 3B

MBA mortgage applications index rose 2% last week

By BOB WILLIS
Bloomberg News

Mortgage applications in the

7-Eleven leases at Mills at Cortez Leasing Notes

By Joseph Guerin

Retail: **7-Eleven Inc.** has leased 2,315 square feet of retail space at Mills at Cortez, 1631 Sixth Ave., San Diego, 92101, from **Cortez Hill LLC**. The property, leased for 120 months at \$744,504, will be used for a convenience store.



Brookfield records 14 home sales in 18 days

Brookfield Homes logged 14 home sales in the space of 18 days in April. The San Diego-based homebuilder credits state and federal tax credits for encouraging Southern California buyers.

The homes were sold across five developments in San Diego and Riverside County. Three new homes were sold each in Trellis and Cordova, both subdivisions of the Windingwalk development in Chula Vista. One new home was sold in Mahogany, part of the Old Creek community in San Marcos. Seven more homes were sold in Murrieta, Calif.

"The sales pace is increasing as a result of federal and state tax credits that can give taxpayers as much as \$18,000 in credits," said Lora Heramb, vice president of sales and marketing for Brookfield Homes San Diego/Riverside division in a written statement.

Industry Briefs

Pulte, Centex fall after reporting wider than expected losses

Pulte Homes Inc. (NYSE: PHM) and **Centex Corp.** (NYSE: CTX), the homebuilders that plan to combine this year, fell in New York trading after reporting quarterly losses that exceeded analysts' estimates and taking \$762 million in writedowns.

lion and 60 months to **Teledyne RD Instruments.**

Wells also paid \$5.4 million cash in 2003 to acquire a 35,840-square-foot building that is part of CP Kelco's 63,455-square-foot corporate campus. At 8355 Aero Drive in Kearny Mesa.

SourceCode: 20090506tra

A 3,384-square-foot store building at 1040 S. Main St. in Fallbrook, 92028, has been sold for \$600,000.

The buyer was Betty Writer Locke, as trustee of a family trust.

The sellers (assessor's parcel 104-133-06) were Richard and Heidi Minga.

SourceCode: 20090506trb

A three-unit apartment property at 4585-89 Voltaire Ave. in San Diego

See **RE Briefs** on 2B

led by a gain in purchase applications as borrowing costs remained near historic lows.

The Mortgage Bankers Association's index of applications to purchase a home or refinance a loan increased 2 percent to 979.7 in the week ended May 1 from 960.6 a week earlier. Purchase applications rose 5 percent while requests to refinance climbed 1.2 percent.

Americans are taking advantage of cheaper mortgage borrowing costs to purchase homes or refinance out of adjustable-rate loans before they reset. Still, rising unemployment and tight credit mean any recovery in housing is likely to be drawn out.

"The refinancing boom will persist as homeowners take advantage of lower conforming mortgage rates," Michelle

See **MBA** on 3B



COMMERCIAL SALES

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

THE TOP COMMERCIAL SALES OF THE DAY

1. The 41 unit, multi-residential at 434-56 S. Mollison Ave, El Cajon, **92020**, was sold by First Regional Bank to John E. Grooms and Cynthia A. Grooms, co-trustees on 04/27/2009. **Tax Value \$3,800,000.**

2. The 8 unit, multi-residential at 4135 Texas St, San Diego, **92104**, was sold by Alec C. Oberschmidt and Mary E.

Oberschmidt, trustees, to Texas Street Property C&G on 04/27/2009. **Tax Value \$1,060,000.**

3. The store building at 6202 University Ave, San Diego, **92115**, was sold by James Chow and Jennifer Huang to San Diego Fukienese Association on 04/27/2009. **Tax Value \$240,000.**

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 7655 Sitio Manana, Carlsbad, **92009**, was sold by Katherine A. Kane, trustee, to Songja Hoang on 04/29/2009. **Tax Value \$1,250,000.**

2. The house at 11163 Breckenridge Dr, San Diego, **92131**, was sold by William E. Bourgeois and Kelly Jo Bourgeois to Stephen Gregory on 04/27/2009. **Tax Value \$1,050,000.**

3. The house at 5540 Papagallo Dr, Oceanside, **92057**, was sold by KB Home Coastal, Inc. to Tim Terrell and Daphne Terrell on

04/29/2009. **Tax Value \$952,500.**

4. The house at 508 Plaza Del Cid, Chula Vista, **91910**, was sold by Scott T. Fialko and Carole E. Fialko to Mahbubul Alam Talukder and Shahida A. Talukder on 04/27/2009. **Tax Value \$940,000.**

5. The house at 15814 Caminito Cantaras, Del Mar, **92014**, was sold by Randolph L. Levin and Suzanne R. Levin, trustees, to Gudrun E. Fiegl, trustee on 04/27/2009. **Tax Value \$895,000.**

See **Home sales** on 4B

Ellis/BRE Commercial.

The lessor was represented by Bill Shrader, Corinna Gattasso and David Maxwell, of **Cushman & Wakefield.**

Retail: **Jim Burbach Enterprises LLC** has leased 3,285 square feet of retail space at Terra Nova Plaza, 300 E. H St., Chula Vista, **91910**, from **Terra Nova Group LP.** The property was leased for five years at \$623,034.

The lessee was represented by Carrie Bobb of **CB Richard Ellis** (NYSE: CBG).

The lessor was represented by John Still, of **Flocke and Avoyer.**

Retail: **CN Enterprises LLC**, dba Massage Envy, has leased 3,517 square feet of retail space at Hazard Center in Mission Valley, 7610 Hazard Center Drive, San Diego, **92108**, from **7510 Hazard LLC.** The property was leased for seven years at \$496,424.

The lessee was represented by Carrie Bobb, of **CB Richard Ellis.** The lessor was represented by Aaron Hill, of **Cushman & Wakefield.**

Retail: Donna M. Wood, dba Esplanade Bridge Center, has leased 2,232 square feet of retail space at Beachwalk, 437 S. Highway 101, Suite 101, Solana Beach, **92075**, from **Muller-BeachWalk LLC.** The property, leased for 60 months at \$310,159, will be used for a bridge club.

The lessee was represented by itself.

The lessor was represented by Rob Ippolito and David Bradley, of **Cushman & Wakefield.**

Office: **The King Law Group** has leased 1,883 square feet of office space at 707 Broadway, Suite 1240, San Diego, **92101**, from **Trizec Sorrento Towers LLC.** The property, leased for 84 months at \$290,000, will be used for a law office.

The lessee was represented by Steve Wells, of **CB Richard Ellis.**

The lessor was represented by Matthew T. Carlson, of **Cushman & Wakefield.**

Warehouse: **International Logistics LLC** has leased 8,000

See **Leasing Notes** on 2B

NAR: Rising home sales, unemployment

By *Inman News*

The National Association of Realtors, in its latest economic forecast, anticipates that the nation's unemployment rate will hit 10.2 percent next year.

The group also boosted its expectations for resale home prices and sales in 2010 from an earlier forecast.

In 2009, NAR expects the median price of resale homes to drop 4.9 percent compared to 2008, dipping to \$188,500, before climbing 4.4 percent to \$196,800 next year.

NAR's latest forecast also calls for 4.97 million resale home sales this year, a 1.1 percent rise compared to 4.91 million last year, with

sales of resale homes projected to rise 6.3 percent in 2010.

In its previous forecast, released last month, NAR estimated that the median price of resale homes would drop 5.1 percent this year and rise 4.1 percent in 2010, and that sales of resale homes would rise 1 percent this year and climb another 5.8 percent in 2010.

NAR's affordability index, which measures how affordable homes are for households based on mortgage rates and income levels, decreased in March but remained near its record-high February level — the

See **NAR** on 3B

a first-quarter net loss of \$514.8 million, or \$2.02 a share. The median estimate in a Bloomberg survey was 55 cents. Centex posted a net loss of \$402.8 million, or \$3.24, greater than the median estimate of \$1.11 a share.

"The operating environment for housing remained very difficult during the first quarter of 2009," Richard Dugas, chief executive officer of Pulte, said in a statement. "Although we are not ready to call a bottom in housing, we are nevertheless encouraged by our sales, traffic and cancellation trends seen in the first quarter that have continued into April."

Pulte recorded \$410.2 million in expenses to write down land values and property-related charges in the first quarter. Centex had \$352 million of impairments and land expenses, including writedowns on joint ventures. New home sales in March decreased 0.6 percent to an annual pace of 356,000, the Commerce Department said on April 24.

The \$1.3 billion purchase of Dallas-based Centex by Pulte will create the largest U.S. homebuilder by revenue and may help the companies survive the longest housing slump since the Great Depression. Pulte, which builds houses in 25 U.S. states, will probably gain a bigger share of sales to first-time homebuyers when housing demand recovers.

D.R. Horton Inc. earlier this week reported a second-quarter loss that exceeded analysts' estimates. The fiscal second-quarter net loss of 34 cents a share was more than the 24 cents projected by analysts in a Bloomberg survey of analysts. Revenue fell 52 percent to \$775.3 million and was less than estimates of \$852.5 million. **Source Code: 20090506ft**

ZipRealty Q1 net loss totals \$7.5 million

ZipRealty Inc. (Nasdaq: ZIPIR) on Tuesday announced a net loss of \$7.5 million in the first quarter, or 38 cents per share, with revenues growing 5.3 percent compared to the same quarter last year and real estate transaction volume up 33.6 percent.

The quarterly net loss was larger than the \$7.3 million loss in first-quarter 2008. Revenues totaled \$21.7 million in the first quarter, compared with \$20.6 million in the same quarter last year.

ZipRealty, which has operations in 36 market area in 22 states and Washington, D.C., reported 4,171 closed real estate sale transactions in the first quarter, up from 3,121 in first-quarter 2008.

The average net transaction revenue per sale decreased about 20.6 percent though, from \$6,447 in first-quarter 2008 to \$5,119 in first-quarter 2009. The total value of real estate transactions closed grew from \$884 million in first-quarter 2008 to \$909 million in first-quarter 2009.

As of March 31, ZipRealty had 2,989 agents — which the company refers to as "ZipAgents" — this number is up 30.8 percent from the same date last year.

ZipRealty reported \$45 million in cash, cash equivalents and short-term investments, with no long-term debt as of March 31.

Pat Lashinsky, ZipRealty president and CEO, said in a statement that "economic conditions and the housing market correction continue to pressure average home sales prices," though "we are encouraged by the share gains we have achieved in many of our markets and believe we are seeing preliminary signs that the downturn in some markets is finally running its course."

The company had experienced 42 percent growth in

See **Industry Briefs** on 3B

FRIDAY, MAY 8 - LECTURE

MASTER ARCHITECTS LECTURE SERIES

Thom Mayne is the final speaker in the Master Architects Lecture Series. He will give a lecture on his work, with projects worldwide, his firm's work encompasses a wide range of project types and scales including residential, institutional and civic buildings as well as large urban projects. **Organization:** Museum of Contemporary Art San Diego, La Jolla **Information:** (858) 454-3541 Salk Institute (858) 453-4100, ext. 1882 **Cost:** No Details Available **Where:** Salk Institute, 10010 North Torrey Pines Road, La Jolla, 92037

FRIDAY, MAY 8 - AWARDS DINNER

2009 ANNUAL AWARDS DINNER

This year's event will honor the 2009 annual award winners and honor past presidents. **Organization:** American Concrete Institute, San Diego Chapter **Information:** (619) 579-1940 **Cost:** \$75.00 **When:** Hours: 6:00 PM - 10:00 PM **Where:** Catamaran Resort Hotel, 3999 Mission Blvd, San Diego, 92109, Venue Phone - (858) 488-1081

SATURDAY, MAY 9 - AWARDS

AIA ANNUAL DESIGN AWARDS

The night will honor several individuals and present numerous awards including the 2009 SDG&E Energy Efficiency Award and Young Architect of the Year Award. **Organization:** American Institute of Architects (AIA) **Information:** (619) 232-0109 info@aiaandiego.com **Cost:** \$10.00- \$40.00 **When:** Hours: 6:30 PM - 9:00 PM **Where:** Neurosciences Institute of Performing Arts, 10640 John Jay Hopkins Drive, San Diego, 92121, Venue Phone - (619) 626-2000

MONDAY, MAY 11 - MONTHLY LUNCHEON

COUNTY OF SAN DIEGO DEPARTMENT OF PUBLIC WORKS

Terry Rayback, capital improvements program manager for the county of San Diego will be the featured speaker discussing major public works projects. **Organization:** San Diego Highway Development Association **Information:** Sean Colorado (619) 744-4504 scolorado@leightongroup.com **Cost:** \$20.00- \$30.00 **When:** Starts: 11:45 AM **Where:** Best Western Seven Seas, 411 Hotel Circle South, San Diego, 92108

TUESDAY, MAY 12 - MEETING

CALIFORNIA LANDSCAPE CONTRACTORS ASSOCIATION

All members are welcome to the San Diego chapter board meeting. **Organization:** California Landscape Contractors Association (CLCA) **Information:** info@clcasandiego.org **Cost:** No Details Available **When:** Hours: 8:30 AM - 12:00 PM **Where:** Scripps Ranch Library, 10301 Scripps Lake Drive, San Diego, 92131

TUESDAY, MAY 12 - TRADE SHOW/CONFERENCE

OPERATION OPPORTUNITY 2009

The event will focus on opportunities for small businesses to connect with government agency and prime contractor representative and will have a trade fair and a workshop entitled "Surviving the Economic Challenges of Today." The featured guest will be Ruben Barrales, president and CEO of the San Diego Regional Chamber of Commerce. **Organization:** San Diego Supplier Development Council **Information:** OpportunityInfo@sdsdc.org **Cost:** \$50.00- \$65.00 **When:** Hours: 7:30 AM - 2:00 PM **Where:** Handlery Hotel, 950 Hotel Circle N., San Diego, 92108

TUESDAY, MAY 12 - DINNER MEETING

CRANE SAFETY

This month's monthly dinner meeting will include a discussion about Crane Safety from George Wheeler of Marco Crane. **Organization:** National Association of Women in Construction **Information:** Kerri Neumann kneumann@nealelectric.com **Cost:** \$30.00- \$35.00 **When:** Starts: 5:30 PM **Where:** Handlery Hotel, 950 Hotel Circle N., San Diego, 92108

WEDNESDAY, MAY 13 - TRAINING CLASS

CPR/FIRST AID/AED INITIAL TRAINING

This nationally accredited course meets the requirements and standards of OSHA, MSHA, DOT, national organizations, other state and federal agencies and is EMSA certified. **Organization:** Pacific Safety Council **Information:** (858) 621-2313 info@safetycouncilonline.com **Cost:** \$50.00-

See Calendar on 3B

to be the nation's first court-ordered stop for an entire state — prevents judges in South Carolina from finalizing foreclosure sales on properties guaranteed by **Freddie Mac** (NYSE: FRE), **Fannie Mae** (NYSE: FNM) or any other mortgage company that has signed on to a federal assistance program.

RealtyTrac Inc., a foreclosure listing firm, says the ruling could affect 5,000 South Carolina homes facing foreclosure.

The ruling was in response to a request from a Columbia attorney representing Fannie Mae, who had argued that it was necessary to keep homeowners who might be eligible for federal assistance from being shut out

The Obama administration announced a plan in March to provide \$75 billion in incentives for the mortgage industry to modify loans to help borrowers avoid foreclosure.

Freddie and Fannie also rolled out a flexible refinancing program for homeowners with an application deadline of June 2010.

Scott had asked the court to address about 1,000 South Carolina homes facing foreclosure and backed by Fannie Mae loans.

But in her order, state Supreme Court Chief Justice Jean Toal expanded the stoppage to foreclosures backed either by Fannie or Freddie —

ceedings will remain on hold. But if not, the sale can go forward.

Officials for Fannie Mae did not immediately return calls for comment on the ruling.

Fannie Mae and Freddie Mac have announced their own plans to wait on foreclosure sales that could be affected by the Obama program, notifying servicers not to complete foreclosure sales on eligible loans unless the borrower either didn't respond or didn't want to participate in the program.

But a spokesman for Freddie Mac, Brad German, said Tuesday the South Carolina ruling was the first he'd heard of in

13,700 homes are in some stage of foreclosure

RealtyTrak spokesman Daren Blomquist also said the ruling appeared to be a first.

"There have been some piecemeal things, but nothing that broad statewide," Blomquist said.

Associated Press Writer Katrina A. Goggins contributed to this report.

Related Links

◆ Making Home Affordable program: <http://www.makinghomeaffordable.gov>
Source Code: 20090505fbi

RE Briefs

Continued from Page 1B
has been sold for \$492,000.

The buyers were Serah Ghaemmaghami, with an undivided interest and Mahnaz Soroush Azari with an undivided 50 percent

interest.

The sellers (assessor's parcel 448-543-01-00) were **Wachovia Mortgage and World Savings Bank**. The sale was an REO (real estate owned) bank sale.

SourceCode: 20090506trc

A three-unit apartment property at 464-468 Delaware St. in Imperial Beach, 91932 has been sold for \$100,000.

The buyers were William

and Anna Kennedy, as trustees of a family trust.

The seller (assessor's parcel 626-031-19-00) was David Henbest, a successor trustee to the O.C. Furchest Trust.

SourceCode: 20090506trd

Leasing Notes

Continued from Page 1B
square feet of warehouse space at 2195 Britannia Blvd., Suite 104, San Diego, 92154, from **Britannia Crossings LLC**.

The property, leased for 60 months at \$235,200, will be used for the warehousing and wholesale of general merchandise.

The lessee was represented by Charles Adolphe and Bryan Teel, of Cushman & Wakefield.

The lessor was represented by Adolphe and Teel.

Office: **Alliance Law Center** has leased 7,426 square feet of office space at 600 B Street, San Diego, 92101, from **Intracorp San Diego LLC**. The property, leased for 18 months at \$200,000, will be used for general professional offices, and performing loan modification and lost mitigation services.

The lessee was represented by Jason Smithson, of **NAI San Diego**.

The lessor was represented by Jenn Gallivan and Jim Laing, of Cushman & Wakefield.

Office: **USA U.S. Army Corps of Engineers** has leased 1,073 square feet of office space at Rancho San Diego Professional Center, 3815-3855 Avocado Blvd., Suite 270, La Mesa, 91941, from **RAM Centers LLC**. The property, leased for 60 months at \$151,700, will be used for an Army recruitment office.

The lessee was represented by Kipp Gstettenbauer and Kyle Clark, of Cushman & Wakefield.

The lessor was represented by Gstettenbauer and Clark.

Industrial: **RTM Lighting and Electronics** has leased 4,756 square feet of industrial space at 1236 Keystone Way, Vista, 92081, from **Utah Prime Properties Inc**. The property was leased for 36 months at \$133,327.

The lessee was represented by Steven Fields, of **Grubb and Ellis/BRE**.

The lessor was represented by Jay Alexander, Daniel Knoke and Peter Merz, of Colliers

International.

Office: **TMAD Taylor & Gaines Engineers** has leased 5,972 square feet of office space at 9980 Carroll Canyon Road, Suite 150, San Diego, 92131, from **Rancho Santalina LLC**.

The property, leased for 12 months at \$125,412, will be used for an engineering company.

The lessee was represented by Steve Rosetta, Michael Macie, Alex Perry and Darren Morgan, of Cushman & Wakefield.

The lessor was represented by itself.

Office: **J.C. Maxwell Cos.** has leased 2,350 square feet of office space at 2650 Camino del Rio North, Suite 108, San Diego, 92108, from **Terra Enterprises**. The property, leased for 25 months at \$103,896, will be used for a general office.

The lessee was represented by Brian Lukacz, of **Commercial Realty Advisors**.

The lessor was represented by Derek Applebaum and Eric

Vann, of Cushman & Wakefield.

Office: Anthony Maturani has leased 825 square feet of office space at Allied Plaza, 7777 Alvarado Road, Suite 321, La Mesa, 91941, from **Allied Office Plaza LLC**. The property, leased for 48 months at \$79,908, will be used for an insurance office.

The lessee was represented by Kipp Gstettenbauer and Kyle Clark, of Cushman & Wakefield.

The lessor was represented by **Gstettenbauer and Clark**.

Editor's Note: Leasing Notes for publication must contain the names of the lessee and the lessor; address (including street name and number, city and zip code); square footage; length of lease; lease terms such as NNN; financial consideration; proposed use of space (if not evident from name of lessee); and the names of brokers and their firms representing both the lessee and the lessor.

Source Code: 20090506tw