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Volatile prices

American homeownership, once considered a path to wealth, is now leading to disillusionment.

REAL ESTATE

CONSTRUCTION

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The Daily Transcript

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Real Estate Briefs

By Richard Spaulding

Apartment in Loma Alta on Mentone sold

Four residential units in Loma Alta at 4309-4315 Mentone St., San Diego 92107, have been sold for \$786,000, cash.



The buyer was Henry Landt, Jr. as trustee of a trust, 4462 Saratoga Ave., San Diego 92107.

The seller of the property (assessor's parcel 449-862-17) was **GMAC Mortgage, LLC**, fka **GMAC Mortgage Corp.**

Norm Root, of **Apartment Consultants Inc.**

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State Senate OKs water bonds

By MICHAEL B. MAROIS
Bloomberg News

SACRAMENTO

Many biotech real estate markets in San Diego having a rough time

By THOR KAMBAN
BIBERMAN
The Daily Transcript

SAN DIEGO — With companies such as San Diego-based **La Jolla Pharmaceutical Co.** (Nasdaq: LJPC) poised on the edge of oblivion and venture capital funds seemingly as rare as a passenger pigeon, filling biotechnology space and keeping it full, has become incredibly difficult.

La Jolla Pharmaceutical can't even get enough shareholder votes to liquidate, other are companies failing, and space was added right into the recession.

Cushman & Wakefield's Global Life Science Practice says more than 600,000 square feet in biotech space has been vacated since early 2008.

C&W reports the 13.7 million square foot base was about 10.3 percent vacant as of the end of September, or about 1.4 million square feet of empty space.

Although a 10.3 percent vacancy still might not see that high, the biotech vacancy was just 5.97 percent in September of last year, C&W reported.

The report said while the impact of the economic meltdown on the life science market has been moderate compared to

Research Institute, The J. Craig Venter Institute and The Salk Institute.

The overall Torrey Pines vacancy rate stood at 10.6 percent — or slightly more than 500,000 square feet of available space.

Last year was the first year in seven that the Torrey Pines vacancy fell below 10 percent, but the recession pushed the figure back into double digits.

There can be no denying that direct lease rates have fallen in Torrey Pines as they have in other submarkets, but the drops have generally not been as precipitous.

Rates that had been \$3-per-square-foot up until 2007 are now trading in the mid- to high \$2 ranges, C&W reported.

In a large and complex transaction, **Ligand Pharmaceuticals** bought out of a \$65 million lease in one 40,000-square-foot space on Torrey Pines Mesa so it could move into a smaller, 30,000-square-foot space nearby.

Takeda Pharmaceuticals then took the space that Ligand formerly occupied.

"Among the positive events seen in this submarket are the

See **Biotech** on 3B



Fitness center leases in Santee Town Center

Rachas Inc., dba **Chuze Fitness**, has signed a seven-year, \$1,225,500 lease for 21,500 square feet of retail space at Santee Town Center, 215 Town Center Parkway, Santee, 92071.

The lessee was represented by Chad Iafrate of **Grubb & Ellis/BRE Commercial**. The lessor, **MIS Limited, LLC**, was represented by John Jennings of the **Cushman & Wakefield Retail Advisory Team**.

Santee Town Center, a 626,411-square-foot commercial center on a 706-acre site, is anchored by **Costco**, **Walmart** and **Home Depot**.

This is the second San Diego County location for **Chuze Fitness**, which is set to open January.

This fall, **Chuze Fitness** leased 16,023 square feet at 421 W. Felicita Ave. in Escondido for five years at \$1 million.