

of the Associated Builders & Contractors had owned the building early in the decade.

SourceCode: 20091111tra

A three-unit apartment property at 9050-9056 Koonce Drive in Spring Valley, 91977, has been sold for \$262,000.

The buyer was Reggie Wilson.

The seller (assessor's parcel 504-301-15) was the **Deutsche Bank National Trust Co.**, as trustee for Morgan Stanley ABS Capital I Inc. Trust 2006-NCA.

See **RE Briefs** on 3B

to \$70 million range, there may be 30 different parties gunning for a single asset.

All acknowledged that the capital crunch continues to be a problem, but Douglas Wilson, chairman and CEO of the **Douglas Wilson Cos.**, who has acted both as a developer and a receiver, suggested the lack of properties on the market is a more fundamental issue than the lack of capital.

"Everybody has a fund. Heck, my mailman has a fund. What we don't have is a place to put it..." Wilson said. "Capital is desperately searching for able partners."

"At a time when the pricing is down 35 percent or more

See **NAIOP** on 2B



COMMERCIAL SALES

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

THE TOP COMMERCIAL SALES OF THE DAY

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| <p>1. The industrial condo at 2764 Gateway Rd, Carlsbad, 92009, was sold by Bressi Spectrum, LLC to Florence Perspective, Inc on 10/30/2009. Tax Value \$1,148,500.</p> <p>2. The 5 unit, multi-residential at 4745 Felton St, San Diego, 92116, was sold by Daniel K. Dillard, trustee, to Cassandra Heard, trustee on 10/30/2009. Tax Value \$617,000.</p> <p>3. The hotel/motel at 607 Roosevelt Ave, National City, 91950, was sold by Galen H. Dodds, successor trustee, to Luv-</p> | <p>Kush Enterprises, Inc on 11/03/2009. Tax Value \$600,000.</p> <p>4. The 3 unit, multi-residential at 1709-11 S. Myers St, Oceanside, 92054, was sold by Emmett S. Roach, successor trustee, to Glenn L. Goldman on 10/30/2009. Tax Value \$525,000.</p> <p>5. The 3 unit, multi-residential at 1713-15 S. Myers St, Oceanside, 92054, was sold by Emmett S. Roach, successor trustee, to Glenn L. Goldman on 10/30/2009. Tax Value \$525,000.</p> <p>See Commercial Sales on 5B</p> |
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HOME SALES

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

THE TOP FIVE HOME SALES OF THE DAY

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| <p>1. The house at 1900 Spindrift Dr, La Jolla, 92037, was sold by Douglas F. Manchester, trustee, to Darwin A. Deason and Katerina Panos Deason, trustees on 11/03/2009. Tax Value \$18,150,000.</p> <p>2. The house at 7005 Fay Ave, La Jolla, 92037, was sold by Sebastian Mariscal and Maricarmen Mariscal, co-trustees, to 7000 Fay Avenue Ventures, LLC on 11/03/2009. Tax Value \$3,350,000.</p> <p>3. The house at 4640 Vista de la Tierra, Del Mar, 92014, was sold by Jon P. Rhamey and Kathryn F.</p> | <p>Rhamey to Sanjay Gupta and Shalini K. Kedia on 10/30/2009. Tax Value \$1,620,500.</p> <p>4. The house at 1251 Via Mil Cumbres, Solana Beach, 92075, was sold by Bank of America, N.A., trustee, to Robert Afra and Johanna Afshani on 11/03/2009. Tax Value \$1,583,500.</p> <p>5. The house at 726 Stafford Pl, San Diego, 92106, was sold by Dennis H. Pennell and Nan A. Pennell, et al, trustees, to Kent Baker on 10/30/2009. Tax Value \$1,265,000.</p> <p>See Home Sales on 5B</p> |
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Leasing Notes

By Richard Spaulding

Leasing Notes are updated twice weekly and are now available in a fully searchable database format at www.sddt.com/databases/leasing-notes.

Retail: North County Tavern & Bowl has leased 15,262 square feet of retail space at Westfield North County Mall, 272 E. Via Rancho Parkway, Suite 201, Escondido, **92025**, from Westfield, LLC. The property was leased for 10 years at \$2,949,110.

The lessee was represented by Mike Morgan of **Cushman & Wakefield**.

The lessor was represented by itself.

Office: The Boss Law Firm has leased 10,038 square feet of office space at Centrewest Plaza, 9710 Scranton Road, Suite 300, San Diego, **92121**, from **ANZI-Centrewest LLC**. The property was leased for 66 months at \$1,168,398, the law firm will open its office January 2010.

The lessee was represented by Glen Friedrich of **Cresa Partners**. The lessor was represented by Steve Wolf and Brunson Howard of **Cushman & Wakefield**.

Office: Feuerstein Murphy LLP has leased 3,054 square feet of office space at 3033 Fifth Ave., Suite 310, San Diego, **92103**, from **C&S Investments**. The property, leased for 64 months at \$350,569, will be used for law offices.

The lessee was represented by Misty Moore of **Jones Lang LaSalle**.

The lessor was represented by Daniel McCarthy and Jennifer Gallivan of **Cushman & Wakefield**.

Industrial: Nears International Inc., dba Yakitori Noubou, has leased 1,375 square feet of industrial space at 3904 Convoy Street, San Diego, **92111**, from **Hornig Jow Corp.** The property was leased for 120 months at \$303,714.

The lessee was represented by Atsuko Yanagase of **Person Realty**.

The lessor was represented by Brian G. Pyke and Alex Knutson of **Duhs Commercial**.

Retail: Chris and Chris Enterprises, dba Little Caesars, has leased 1,940 square feet of retail space at 16477 Bernardo Center Drive, San Diego, **92128**, from **Del Sol Development Corp.** The property was leased for 60 months at \$219,996.

The lessee was represented by Brian G. Pyke of **Duhs Commercial**.

The lessor was represented by Joel Wilson of **CB Richard Ellis**.

Office: McGregor Plant Sales Inc. has leased 2,473 square feet of office space at 1902 Wright Place, Suite 140, Carlsbad, **92008**, from **Realty Associates Fund V L.P.** The property, leased for 26 months at \$130,169, will be used for a greenhouse grower and nursery.

The lessee was represented by John Hoffman of **Cushman & Wakefield** and Daniel Tate of **Colliers International**.

The lessor was represented by Doug Arthur of **Sentre Partners**.

Retail: Wireless Choice Inc., dba Sprint, has leased 1,170 square feet of retail space at Creekside Plaza, 13553 Poway Road, Suite 512, Poway, **92064**, from **Azure Creekside Corp.** The property, leased for 36 months at \$96,876, will be used for a cellular wireless retail store.

The lessee was represented by itself.

The lessor was represented by John Jennings and Kam Walton of **Cushman & Wakefield**.

See **Leasing Notes** on 3B

in fiscal 4th quarter

By ALEX VEIGA
The Associated Press

Beazer Homes USA Inc. (NYSE: BZH) reported its first quarterly profit since 2006 on Tuesday and credited more stable home prices and cost cuts for a marked improvement in the home-builder's gross margins.

The Atlanta-based company also posted an annual increase in new home orders, as low mortgage interest rates and a first-time homebuyer tax credit helped lure buyers. Beazer said it expects orders for the current fiscal year to modestly outpace those of fiscal 2009.

The company said foot traffic slowed somewhat in October as would-be buyers waited for word on whether the government would extend the tax credit. That news came last week as Congress extended the tax incentive through next June, as long as the buyer signs a binding contract by the end of April. The program also was expanded to include a \$6,500 credit for existing homeowners who buy a new place after living in their current residence for at least five years.

Beazer saw a jump in the number of shoppers over the weekend in some markets.

"We've got a six-month runway here of a tax credit, great affordability and great mortgage rates," said Ian McCarthy, Beazer's president and chief executive. "It's the industry's job and certainly our job to convince buyers that this is now a great time to buy a Beazer home."

The builder is even gearing up to buy more land — something rivals such as **Ryland Group Inc.**, and **Meritage Homes Corp.**, have been doing.

"Our belief that market conditions will modestly improve in 2010 does necessitate the need to begin securing additional land positions in certain markets," McCarthy said.

Investors applauded the builder's fiscal fourth-quarter results, propelling the stock as much as 15 percent higher at one point. On Wednesday, Beazer shares gained 63 cents, or 12.3 percent, to close at \$5.73.

Beazer said net income for the period ended Sept. 30 totaled \$33.8 million, or 84 cents per share. That compares with a loss of \$473.9 million, or \$12.29 per share, a year earlier. Excluding discontinued operations, earnings amounted to 87 cents per share.

The latest quarter includes pretax gains totaling \$89.3 million on the early prepayment of debt.

The company's gross profit margin improved to 6.6 percent in the quarter, compared to negative 0.7 percent a year ago.

Revenue fell 42 percent to \$376.3 million as completed sales tumbled 24 percent.

On average, analysts expected a loss of \$1.24 per share on revenue of \$338.3 million, according to a survey by Thomson Reuters.

New home orders rose 2.4 percent from a year earlier, with Indianapolis, Houston, Los Angeles and Nashville, Tenn., among its strongest markets.

Hovnanian tax benefit

Homebuilder **Hovnanian Enterprises Inc.** (NYSE: HOV) said Tuesday a change in tax law would now allow it to spread its 2009 operating loss over five previously profitable years and give it a tax benefit and gain in the first half of fiscal 2010.

The changes will also result in a tax benefit in the first quarter and a cash refund of \$250 million to \$275 million in the second quarter of fiscal 2010.

Hovnanian is based in Red Bank, N.J. Its shares gained 36 cents, or 8.9 percent, to close Wednesday at \$4.40.

Source Code: 20091110tde

Leasing Notes

Continued from Page 1B

Retail: University Learning Center LLC, dba Mathnasium, has leased 1,270 square feet of retail space at Rosecrans Shopping Center, 3555 Rosecrans Street, Suite 110B, San Diego, **92110**, from **Eden Plaza Shopping Center LLC**. The property, leased for 38 months at \$86,614, will be used for an educational learning center.

The lessee was represented by Matt Shoppe of **CB Richard Ellis**.

The lessor was represented by Chris Walton, Nick Alford and Aaron Hill of **Cushman & Wakefield**.

Office: Xpera Inc. has leased 701 square feet of office space at 153 N. Highway 101, Solana Beach, **92075**, from **153 N. Highway 101 LLC**. The property was leased for two years at \$65,733.

The lessee was represented by Joe Balla of **Lee and Associates**.

The lessor was represented by Balla.

Industrial: Alp-n-Rock LLC has leased 2,178 square feet of industrial space at **La Costa Meadows LLC**, 1611 S. Rancho Santa Fe Road, Suite A, San Marcos, **92078**, from **Koll/Per La Costa Meadows, LLC**. The property was leased for 25 months at \$46,827, \$0.86 Gross.

The lessee was represented by Brian Klepacki of **CB Richard Ellis**.

The lessor was represented by John Witherall of **Coldwell Banker Commercial**.

Industrial: Super Health Plaza has leased 755 square feet of industrial space at 3904 Convoy Street, San Diego, **92111**, from **Hornig Jow Corp.** The property was leased for 36 months at \$40,873.

The lessee was represented by Tom Vadja of **Person Realty**.

The lessor was represented by Brian G. Pyke and Alex Knutson of **Duhs Commercial**.

Industrial: Partners In A Hurry has leased 932 square feet of industrial space at Biltmore Oceanview Hills in Otay Mesa, 6120 Business Center Court, Unit F-800, San Diego, **92154**, from **Biltmore Holdings**. The property was leased for two years at \$21,564, with an option to purchase anytime during lease.

The lessee was represented by Regan Tully and Phillip Linton of **Grubb and Ellis/BRE Commercial**.

The lessor was represented by **Tully and Linton**.

Industrial: Royne Industries LLC has leased 2,590 square feet of industrial space at Biltmore Oceanview Hills in Otay Mesa, 6151 Progressive Ave., Unit A-300, San Diego, **92154**, from **Biltmore Holdings**. The property, leased for 12 months at \$20,202, with an option to purchase anytime during lease, will be used for a distributor of security devices worldwide.

The lessee was represented by Regan Tully and Phillip Linton of **Grubb and Ellis/BRE Commercial**.

The lessor was represented by **Tully and Linton**.

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: 20091111tw

Morgan Stanley, Citigroup lead mortgage modifications

By DAWN KOPECKI
Bloomberg News

Morgan Stanley, Citigroup Inc. and JPMorgan Chase & Co. lead the pack of banks modifying home loans to troubled borrowers under the Obama administration's main foreclosure prevention plan, the Treasury Department said.

Citigroup (NYSE: C), the third-largest U.S. bank by assets, began 88,968 trial modifications, or 40 percent of its eligible mortgages, under the Making Home Affordable Program this year, Treasury data through October shows. JPMorgan (NYSE: JPM), the second-largest U.S. bank, has started 133,988 modifications, or 32 percent of eligibility, the Treasury said in a statement Tuesday.

Morgan Stanley's (NYSE: MS) Saxon Mortgage Services had begun trials for 44 percent of its 80,477 eligible loans. In all, 20 percent of eligible U.S. homeowners have received trial modifications through the government program, according to the data.

"We're reaching borrowers at a larger scale than any other modification program to date, but there's still much more work to be done," Assistant Treasury Secretary Michael Barr said in the statement.

More than 650,994 modifications had been started through the government program as of last month, up from about 487,081 as of September, the Treasury said. The program was announced in February as a way to combat a surge in foreclosures that has pushed property values lower and curtailed economic growth.

Bank of America Bank of America Corp. (NYSE: BAC) was among the worst performers in the program, with 14 percent of loans in modification. The bank,

the largest in the U.S. and the biggest mortgage servicer, has 990,628 eligible loans, a greater total than any other company on the Treasury's list. A spokesman for the Charlotte, N.C.-based bank, Dan Frahm, said the eligibility data may be misleading.

"As many as one-in-three of those borrowers listed as eligible for the program will not actually qualify for HAMP because the home is vacant, the customer has a debt-to-income ratio below 31 percent or is unemployed," Frahm said.

Eligible loans under HAMP are those that are at least 60 days past due, in foreclosure or bankruptcy, and originated prior to 2009. The underlying property must be owner occupied and conform to **Fannie Mae** and **Freddie Mac** loan limits, which can be as high as \$729,750 in some areas. The data excludes Federal Housing Administration and Veterans Affairs loans. A borrower's mortgage payment must be 31 percent or more of their gross monthly income to qualify.

Bank of America's modifications started rose to 136,994 in October from 94,918 in September. The bank also accounted for 30.7 percent of the 3.2 million loans eligible for the program and about 22 percent of the 919,965 modification offers extended to borrowers by all the participating banks combined.

Wells Fargo

Wells Fargo (NYSE: WFC), which had been among the worst performers in August, improved its modification rate to 29 percent from 20 percent in September. The San Francisco-based company, the largest U.S. home lender, has begun modifications on 93,652 of its 323,198 eligible loans, according to the Treasury data. It has also modified more than 300,000

additional loans that fall outside of HAMP, according to a company statement Tuesday.

HAMP requires banks that received federal aid from the Treasury's Troubled Asset Relief Program, or TARP, as well as mortgage-finance companies **Fannie Mae** and **Freddie Mac** to lower monthly payments for borrowers at "imminent risk" of default. Banks can lengthen repayment terms, lower interest rates to as low as 2 percent and forbear outstanding prin-

cipal, among other methods. President Barack Obama announced the programs in February, and final criteria for administering the modifications on loans owned by **Fannie Mae** and **Freddie Mac** were released in April. Specific program guidelines for loans owned by other investors were provided in June, and the Treasury later gave new details for loans backed by the Federal Housing Administration.

Source Code: 20091110fad

RE Briefs

Continued from Page 1B

The property was bought for full price.

The Koonce Drive triplex was last acquired for \$205,000 by Morgan Stanley through a trustee's sale.

SourceCode: 20091111trb

A three-unit apartment property at 4522-4526 32nd St. in San Diego has been sold for \$257,000.

The buyer was Domenico D'Amato.

Phillip Battaglia was the seller (assessor's parcel 517-513-14).

SourceCode: 20091111trc

A four-unit apartment property at 614-620 N. 66th St. in San Diego, 92114, has been sold for \$206,000.

The buyer was Chau T. B. Pham.

The seller (assessor's parcel 549-101-34) was **Federal Home Loan Mortgage Corp.**

SourceCode: 20091111trd

CONTRACTOR OPEN HOUSE for SAN VICENTE DAM RAISE CONSTRUCTION PACKAGE 3 PROJECT

Roller Compacted Concrete Dams and Appurtenant Structures
Advertising for bids between \$200 to \$225 million, January 2010

Meet the project team • Learn more about the project
• Network with potential prime contractors

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Where: San Vicente Dam, 13500 Moreno Ave., Lakeside, CA

RSVP's to Diana Martinez: dmartinez@sdawa.org are appreciated, but not required.
For more information call Diana at 858-522-6807. Carpooling is encouraged.

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