

nas vetoed a proposal to get rid of racist covenants that have no legal bearing but offend many homeowners.

Schwarzenegger told lawmakers that the bill's effect would be negligible since the covenants are already void.

Democratic Assemblyman Hector De La Torre had initially proposed requiring counties to strike the covenants after finding one on his South Gate home that would have prevented him from buying it when it was built. The bill was later changed to aid removal of the covenants.

California already lets residents request to have the covenants redacted.

Source Code: 20091013tdb

102,000 square feet in the Golden Eagle Plaza building at 525 B St. in August from Hines helped push the countywide net absorption to a positive 346,030 square feet for the third quarter of 2009 and 653,537 square feet of positive absorption for the year.

About 600,000 square feet of office space is still under construction, but this most likely will diminish, as the slow economy impacts new starts.

The Voit report said direct and sublease space combined for an office vacancy of 16.2 percent, up from 14.3 percent in the third quarter of last year.

But that doesn't tell the whole story.

Direct and sublease space being marketed translated to a



## COMMERCIAL SALES

Additional commercial sales data is available online at [www.sddt.com/databases/commercialsales](http://www.sddt.com/databases/commercialsales)

### THE TOP COMMERCIAL SALES OF THE DAY

1. The store bldg. misc., warehousing at 520 W. Ash St ; 1446 Columbia St, San Diego, 92101, was sold by D & A Semi-Annual Mortgage Fund III, L.P. and D & A Daily Mortgage Fund III, L.P. to Chhatrala 520 Ash, LLC on 09/30/2009. Tax Value \$9,500,000.

2. The store bldg. misc., parking/garage, vacant commercial at Fourth Ave ; 411 Ivy St, San Diego, 92101, was sold by First American Title Co. to 1750 Firth Avenue, LLC on 09/30/2009. Tax Value \$4,500,000.

3. The 7 unit, multi-residential at 469 N. First St, El Cajon, 92021, was sold by Preferred Bank to CARV Properties, LLC on 09/30/2009. Tax Value \$624,500.

4. The warehousing at 1007 S. Cleveland St, Oceanside, 92054, was sold by Torrey Carmel 92130 to Cleveland Street, LLC on 09/30/2009. Tax Value \$450,000.

5. The store bldg. misc. at 2034 Kettner Blvd, San Diego, 92101, was sold by Mohammad Jelveh-Tehrani and Sharlene Jelveh-Tehrani to Santanas Grill, LLC on 09/30/2009. Tax Value \$417,000.

## HOME SALES

Additional home sales data is available online at [www.sddt.com/databases/homesales](http://www.sddt.com/databases/homesales)

### THE TOP FIVE HOME SALES OF THE DAY

1. The house at 7257 Dunemere Dr, La Jolla, 92037, was sold by Jon D. Roseman and Cynthia T. Delgado to Randall D. Clark and Thomas G. Maddox on 10/07/2009. Tax Value \$2,386,000.

2. The house at 704 Midori Ct, Solana Beach, 92075, was sold by Jim H. Kaskade and Annie P. Kaskade, co-trustees, to Michael Sherman and Lauren Sherman on 10/07/2009. Tax Value \$1,750,000.

3. The house at 13628 Landfair Rd, San Diego, 92130, was sold by Theodore G. Schwarz and Venitia G. Schwarz to Mark Daniels and

Regina Daniels on 10/06/2009. Tax Value \$1,490,000.

4. The house at 2424 Newport Ave, Cardiff By The Sea, 92007, was sold by William Morton Pickslay, III and Alba P. Pickslay, trustees, to Keith Cleversley and Venus C. Paxton on 10/06/2009. Tax Value \$1,000,000.

5. The condo at 700 Front St #501, San Diego, 92101, was sold by U.S. Bank National Association, trustee, to John D. Schutz and Carolyn Schutz, trustees on 10/07/2009. Tax Value \$870,000.

See Home sales on 8B

## ~DEAL OF THE WEEK~ COMMERCIAL/SALE

### Ground floor of downtown apartment sold

EAST VILLAGE — Chuck Klein, Tim Winslow, Kevin Held and Jason Kimmel, of Grubb & Ellis|BRE Commercial represented the Deal of the Week seller.

Douglas Hamm, of Baxter Realty Group Inc., represented the buyer. The deal was the sale of the 42,973-square-foot ground-floor retail space leased to an Albertson's market and a Sav-on pharmacy at 655 14th St., San Diego for \$13.8 million.

The buyer was LIAD, LLC. The seller was EVALBS, LLC, c/o Leonardo Simpser, 401 B. St., Suite 920, San Diego. The buyer is the sole member of the seller, and Simpser is the member the buyer.

The transaction included an \$11.5 million, US Bank loan from March 2005 and amended in February 2009. Albertson's has 22 years and six options left on its lease for the ground floor retail parcel of Market Street Village, a mixed-use development including 229 luxury apartments.

The sale represents a unique transaction in the downtown area because it is a long-term investment property that was originally part of a larger mixed-use project.

The complex original lease and operating structure created a strong interest level from investors, giving the transaction a high loan-to-value percentage, according to Grubb & Ellis|BRE brokers.

Source Code: 20091013tdg



## Smart grid gets Hawaiian test

By MARK NIESSE  
The Associated Press

HONOLULU — A 4-square-mile patch of Maui in the nation's most fossil-fuel dependent state soon will be home to a new kind of power grid, one that saves energy by turning off household appliances when electricity is expensive and makes better use of wind and solar power.

General Electric Co. (NYSE: GE) recently announced it would test its "smart grid" technology in the luxury resort community of Wailea, hoping to reduce peak electricity consumption there by 15 percent by 2012.

Planners envision installing a new kind of power meter in

See Grid on 2B

## Industry Briefs

### Avoiding foreclosure

A homeownership preservation workshop, sponsored by the HOPE NOW Alliance, the Obama Administration's Making Home Affordable program and NeighborWorks America, will be held in San Diego for all area homeowners who may be at risk of foreclosure.

The event will be held from 2-8 p.m. Oct. 22, in Ballroom 5A at the San Diego Convention Center, 111 W. Harbor Drive.

The workshop is free and open to the public, and provides a chance for homeowners to meet face-to-face with their mortgage company and a HUD-approved counseling agency to work on a solution to help them stay in their home.

HOPE NOW is the industry-created alliance of mortgage servicers, investors, counselors, and other mortgage market participants helping as many homeowners as possible avoid foreclosure.

The Making Home Affordable Program was created to help homeowners refinance or modify their mortgage payments to a level that is affordable.

NeighborWorks America is a network more than 230 community development organizations working in 4,400 urban, suburban and rural communities in all 50 states, the District of Columbia and Puerto Rico.

In the last five years, those organizations have that have generated more than \$12.4 billion in reinvestment in these communities.

### Bond offering

(Bloomberg) — The California Public Works Board plans to offer about \$800 million of bonds backed by lease payments appropriated by the state. Underwriters led by Morgan Stanley (NYSE: MS) and RBC Capital Markets will market the debt next week.

About \$600 million of the deal may be taxable Build America Bonds, with the rest tax-exempt.

The proceeds will fund work on various state capital projects including a prison in Monterey County near Soledad.

Fitch grades the bonds BBB-minus, one level above high-risk, high-yield junk status. Moody's (NYSE: MCO) rates them one level higher at Baa2. S&P assigns its A- rating, the fourth-lowest investment grade. (Added Oct. 13).

### Arizona venture

(Bloomberg) — Jeff Walton, the former head of Bear Stearns Residential Mortgage, plans to start a residential mortgage origination platform with First Arizona Savings FSB.

The platform, National Residential Mortgage, will be based in Phoenix and will at first focus on the western U.S.

Greg Russell, the former managing director of the asset management operation for Lone Star Funds, is a partner in the transaction and will act as an adviser.

### Census foreclosures

(AP) — The Census Bureau director said foreclosures will make it tougher and more expensive to get an accurate count of families next year.

Director Robert Groves said Tuesday in Los Angeles that he expects some questionnaires will land at empty homes in areas hard hit by the housing crisis.

That means workers will need to make more door-to-door

See Industry Briefs on 3B