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# REAL ESTATE

CONSTRUCTION

## Spanish commercial

Business rents in Spain's city centers have dropped 22% in the past year, the most since 2002 as unemployment approaches the highest in at least 15 years.

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San Diego Source: [www.sddt.com/realestate](http://www.sddt.com/realestate)

The Daily Transcript

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**Real Estate Briefs**  
By Richard Spaulding

### Apartment in Normal Heights on Bancroft sold

Nine residential units at 4609 Bancroft St., San Diego 92116, have been sold for \$920,000, cash.

The buyer was **Bancroft Apartments LLC**, a California limited liability company, c/o S. Cacciatore, 5663 Balboa Ave., Suite 376, San Diego 92111.

The property seller (assessor's parcel 439-432-21) was Barbara S. James.

The two-story, approximately 5,616-square-foot apartment was constructed on its 6,250-square-foot lot in 1967. The apartment has nine bedrooms and bathrooms.

In November 2001, the property was sold for \$570,000. Previous sales were for \$485,000 in January 1991, \$440,700 in December 1988, \$351,000 in October 1985, and \$278,000 in December 1983.

SourceCode: 20091013tra

### Gov. vetoes racist covenants ban

SACRAMENTO (AP) — Gov. Arnold Schwarzenegger

## S.D. office absorption improves in 3Q, industrial market continues down

By THOR KAMBAN BIBERMAN  
The Daily Transcript

SAN DIEGO — San Diego County net office absorption has improved, while industrial and research and development absorption are heading the opposite way, according to a real estate brokerage.

#### Office

"The office market is facing challenges as the national recession continues," **Voit Real Estate Services** reported.

"The primary concerns are as follows: increasing vacancy, tenant delinquencies, scarce financing, economic uncertainty and volatility, and the gap between 'ask' and 'bid' pricing between buyers and sellers," the report stated.

Office property sales have been in short supply, but one sale was particularly notable during the quarter.

That was the purchase of a three-building, 164,091-square-foot bioscience complex at 3030 Science Park Road in Torrey Pines for \$115.65 million.

The buyer was a partnership of **Senior Housing Properties Trust** of Newton, Mass.

On the leasing side, a **Procopio Cory Hargreaves & Sevitch** lease of more than

20.27 percent availability — more than one-fifth of office space overall.

Some markets were worse than others at least in terms of percentages.

Downtown San Diego checked in with a 14.14 percent vacancy while Governor Park was 40.4 percent empty as of the end of the third quarter.

Downtown had more actual square footage vacant — 1.79 million square feet versus 347,242 for Governor Park.

The average asking office lease rate countywide in the third quarter was \$2.39 — a 12.8 percent decrease over the third quarter of 2008.

The highest rates are in the North City market, where rates are averaging \$2.70 — markedly lower than 2.5 years ago when \$4 was the going rate for Del Mar Heights.

Some brokers said a rebound in the office market is years away.

Voit suggested the market may be finding its floor, but the recovery won't be without pain.

"Lease rates are expected to remain soft for the near future, and concessions should continue to increase in the forms of



### TechFlow signs lease for Sorrento Mesa

**TechFlow Inc.** signed a 72-month lease for 9,161-square-foot office space at \$1.6 million in Courtyard II in Sorrento Mesa at 6405 Mira Mesa Blvd., San Diego 92121.

The expansion took TechFlow's total space to 17,971 square feet. In mid-2008, TechFlow leased 8,810 square feet at Courtyard II for 67 months at \$1.4 million. The tenant and landlord, **Ledcor Properties**, were represented by Brett Ward, LEED AP, and Brad Tecca, of **Grubb & Ellis/BRE Commercial**. Tecca and Ward represented both parties in the mid-2008 lease transaction.

In mid-2007, the vacant, 38,743-square-foot Courtyard II was sold for \$9.35 million to **Courtyard II Holdings, LLC**, c/o **Ledcor Properties Corp.** of Vancouver, British Columbia. The building was constructed on a 2.08-acre corner lot in 1991. In late 1998, the property was sold for \$5.5 million. In mid-1996, the building was fully occupied by Arrowhead General Insurance and sold for \$2.85 million. Former tenants included Gen-Probe (Nasdaq: GPRO) in spring 2002 with 19,500 square feet for three years at \$1.3 and in spring 2000, **AMDAX.com** subleased 9,610 square feet from Arrowhead for 41 months at \$613,508.

See Office on 2B