

...ions to purchase a home or refinance a loan decreased 12 percent to 562.3 in the week ended Oct. 23, the third consecutive drop.

The group's refinancing gauge fell 16 percent, while the index of purchases declined 5.2 percent.

Americans may be waiting to see if they will qualify for an \$8,000 first-time homebuyer tax credit which expires at the end of November.

Lawmakers are debating extending the credit into 2010 amid signs the incentive program has helped the housing market stabilize and the economy recover from the worst recession since the 1930s.

Certainty on the program "would help buyers form their

...ontana, both Democrats, may seek to add the homebuyers extension to legislation extending unemployment benefits that may be debated as early as this week, according to Regan Lachapelle, an aide to Reid.

Senate leaders moved closer to an agreement on replacing the credit with a smaller one that expands access to more borrowers, two people familiar with the matter said yesterday.

Five-month low

The mortgage bankers' refinancing gauge decreased to 2,352.5 from the previous week's 2,808, Wednesday's report showed.

See **Mortgage** on 2B



COMMERCIAL SALES

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

THE TOP COMMERCIAL SALES OF THE DAY

1. The 3 unit, multi-residential at 3734-36 Tenth Ave, San Diego, **92103**, was sold by Michael Hearst and Carol A. Hearst, trustees, to Michael Remy and Reina Remy, et al on 10/20/2009. **Tax Value \$765,000.**

2. The industrial condo at 1041 J St, San Diego, **92101**, was sold by U.S. Bank National Association, trustee, to Ryan A. Preston on 10/20/2009. **Tax Value \$360,000.**

3. The 3 unit, multi-residential at 304-08 65th St, San Diego, **92114**, was sold by Gary H.

Hoffman and Vicki C. Hoffman to William R. Mundt, trustee on 10/20/2009. **Tax Value \$210,000.**

4. The hotel/motel at 3345 Midway Dr, San Diego, **92110**, was sold by Elmer D. Blackwell, trustee, to Zenaide Dreams, Inc on 10/19/2009. **Tax Value \$200,000.**

5. The 3 unit, multi-residential at 330-34 S. 65th St, San Diego, **92114**, was sold by Gary H. Hoffman and Vicki C. Hoffman to William R. Mundt, trustee on 10/20/2009. **Tax Value \$195,000.**

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 duplex at 945-49 Coast S. Blvd, La Jolla, **92037**, was sold by Coast South Condos, LLC to 945 Coast LLC on 10/23/2009. **Tax Value \$2,700,000.**

2. The house at 6571 Mimulus, Rancho Santa Fe, **92067**, was sold by Ronald J. Monark and Deborah A. Monark, co-trustees, to Richard P. Burruss, Jr. and Patricia Argent Burruss on 10/23/2009. **Tax Value \$2,275,000.**

3. The house at 5279 Meadows Del Mar, San Diego, **92130**, was sold by Jeffrey S. Coons and Alvson

F. Coons, trustees, to Jorge F. Robles on 10/23/2009. **Tax Value \$2,085,000.**

4. The house at 7190 Caminito Cruzada, La Jolla, **92037**, was sold by The Maurice R. Tanner Family, L.P. to Maria de Lourdes Ariza Alduncin on 10/23/2009. **Tax Value \$1,780,000.**

5. The house at 7421 Via Capri, La Jolla, **92037**, was sold by Jon S. Goodwin and Angela J. Goodwin to Anne H. So on 10/23/2009. **Tax Value \$1,550,000.**

See **Home Sales** on 4B

TRC Gymnastics on Nancy Ridge

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.

Industrial: Christopher Mangano, dba **TRC Gymnastics**, has leased 13,397 square feet of industrial space at 6474 Nancy Ridge Drive, San Diego **92123**, from Jaime Cardenas. The property was leased for eight years at \$881,632.

The lessee was represented by Andy Irwin, of **CBG Richard Ellis** (NYSE: CBG). The lessor was represented by Bob Mooney, of **Grubb & Ellis|BRE Commercial**.

Office: Mountian Peak Charter School has leased 7,437 square feet of office space at 3220 Executive Ridge Road, Suite A, Vista **92081**, from **TPRF-BAR Palomar, LLC**, c/o **Birtcher Anderson Realty**. The property was leased for five years at \$526,539.

The lessee was represented by Mike Napierala, of **Coldwell Banker Commercial**. The lessor was represented by Joe Anderson and Todd Davis, of **Grubb and Ellis|BRE Commercial**.

Retail: **GSAHTC Inc.**, dba **Jersey Mike's Subs**, has leased 1,280 square feet of retail space at 3570 Sports Arena Blvd., San Diego **92110**, from **Sports Arena Shopping Center, LLC**, c/o **Stepstone Real Estate Services**. The property was leased for 10 years at \$514,211.

The lessee was represented by Danny Fitzgerald, Michael Burton and Robb Frye, of **Grubb & Ellis|BRE Commercial**. The lessor was represented by Matt Moser, of **Retail Insite**.

Office: **Greater Tri-Cities IPA** has leased 2,650 square feet of office space at 161 Thunder Drive, Vista **92083**, from **Vista Fogel**. The property was leased for 84 months at \$509,199.

The lessee was represented by Rusty Williams, of **Lee & Associates**. The lessor represented itself.

Retail: Nancy Kong, dba **Ahi Sushi**, has leased 1,229 square feet of retail space at Alpine Creek Town Center, 1347 Tavern Road, Suite C-1, Alpine **91901**, from **Westcore Freightways LLC**. The property, leased for 125 months at \$314,647, will be used for a sushi restaurant.

The lessee was represented by Gary Pollington, of **Trinity Commercial**. The lessor was represented by Aaron Hill and John Jennings, of **Cushman & Wakefield**.

Industrial: **Transcendent One** has leased 2,125 square feet of industrial space at 2011 Palomar Airport Road, Suite 110, Carlsbad **92011**, from **P.T. Carlsbad Associates**. The property was leased for 39 months at \$126,548.

The lessee was represented by Dan Gaston, of Lee and Associates. **Cushman & Wakefield** represented the lessor.

Office: G. Mark Tarpin has leased 1,150 square feet of office

See **Leasing Notes** on 3B

Industry Briefs

Mixed-use leasing

Within a month of completion, the San Elijo Hills MarketWalk mixed-use center has leased 80 percent of the retail space.

MarketWalk, which features 11,000 square feet of retail space and 12 townhomes, is located on San Elijo Road at Elfin Forest Road.

Tenants now open for business in the Towncenter include



Windmill Cleaners (830 square feet), **Postal Annex** (1,060 square feet), **Peppertree Hills**, **Dexter's Deli** (1,087 square feet), **Rose's Nails** (1,056 square feet) and **Yogurt Utopia** (1,160 square feet).

Hometown Realty and the **San Elijo Hills Visitor Center** (1,084 square feet each) will be opening soon.

Two retail spaces, totaling approximately 2,200 square feet, remain to be leased, according to leasing agent Hil Mercado, vice president, **CB Richard Ellis** (NYSE: CBG).

Sales have begun on the 12 townhomes situated above the retail spaces and five homes have already been reserved, according to Curt Noland, general manager of **San Elijo Hills Development Co.**, a sister company to **San Elijo Hills Town Center LLC**, which developed the center.

The two- and three-story units range from approximately 1,200 to 2,746 square feet with two to four bedrooms and 2.5 to 3.5 baths.

The townhomes are priced from the high \$300,000s to the \$700,000s.

MarketWalk is one of the final components in the San Elijo Hills Towncenter.

Hawaiian lands

(AP) — The Hawaii Supreme Court is bringing a 15-year court battle over Hawaiian lands to a close.

The court Tuesday ordered the dismissal of the claims of the final plaintiff in the case, which it was reconsidering after the U.S. Supreme Court ruled in March that the government's apology for the overthrow of the Hawaiian Kingdom didn't strip the state of its right to sell or transfer former monarchy land.

The Hawaii Supreme Court is tossing out the claims of University of Hawaii professor Jonathan Osorio, who sought a permanent ban on the sale of Hawaiian lands.

Three other plaintiffs and the Office of Hawaiian Affairs previously reached a settlement with the state barring the sale of ceded lands unless both the House and Senate approve by a two-thirds vote.

Coal vs. wind

(AP) — Blasting has begun on Coal River Mountain, where environmentalists have battled Virginia-based **Massey Energy** (NYSE: MEE) over mountaintop removal

See **Industry Briefs** on 2B

Foreclosures —

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ond quarter. The rate is a 7.2 percent increase over the third quarter of 2008.

San Diego is one of 21 metropolitan areas that had a quarter-to-quarter decrease in foreclosure rate, but an increase year over year.

Ninety-one different metros had both year-over-year and quarterly increases in foreclosure rate, including areas that dodged earlier waves of foreclosures.

Some of the areas with the biggest year-over-year increases were in Boise City-Nampa, Idaho, and Salt Lake City.

The rates increased 77 percent in Prescott, Ariz.

The largest increases were posted in cities not previously a focal point for foreclosure activity in their respective states.

The Chico area of California had almost double the foreclosure activity in the third quarter of 2009 than the same quarter last year.

Chico had a 12.8 percent unemployment rate in August, which was higher than state and national averages.

Chico had the biggest year-over-year increase in California, despite metros like Merced, Modesto, Riverside/San Bernardino and Bakersfield all placing within the top 10 areas with the highest foreclosure rates in the United States.

Las Vegas led the nation, with 5.13 percent of households receiving a foreclosure filing, almost seven times the national average. Filings rose 54 percent from a year earlier, according to RealtyTrac.

In Reno, the rate rose 80 percent from a year ago.

In California, Merced had the nation's second-highest rate, with 3.72 percent of households receiving a filing. The number there dropped 11 percent from the third quarter of 2008.

Stockton was fourth with a rate of 3.53 percent of households receiving a filing and the number falling 3 percent.

Modesto recorded a rate of 3.39 percent, or little changed.

Hong Kong builders seek revamp of sale rules

Bloomberg News

HONG KONG — Hong Kong's biggest developers called on the government to revamp the way it sells land after tight supply led home prices to surge 28 percent this year.

At a closed-door meeting this week, Financial Secretary John Tsang told builders that the government won't rule out intervening in the property market should it become "unfair" and "unhealthy," a person familiar with the matter said.

Among those present were executives from **Sun Hung Kai Properties Ltd.**, the world's biggest developer by value, and billionaire Li Kashing's **Cheung Kong (Holdings) Ltd.**

Rising home prices have led Hong Kong developers to ask the government to increase land sales.

To cool the property market, Hong Kong tightened down payment requirements for luxury homes and suspended mortgage insurance for rental properties.

On Oct. 14, Hong Kong Chief Executive Donald Tsang expressed concern about a possible property bubble.

"The government has to release some land, otherwise the developers will keep their prices at high levels because they won't be able to replenish their land bank," Steven Leung, director of institutional sales at **UOB-Kay Hian Ltd.**, said Wednesday.

This week's meeting between Tsang and the developers took about an hour.

Property market

Tsang didn't specify what measures the government would take should it choose to intervene in the property market, the person familiar with the matter said.

"The developers are requesting the government put the prices closer to the market level," Stewart Leung, an exec-

utive supply to deal with changes in the property market.

In November 2002, it suspended scheduled land sales as home prices continued to fall following the 1997-98 Asian financial crisis, the 2000 bursting of the dot-com bubble and the Sept. 11, 2001, terrorist attacks.

The government resumed land sales in January 2004, introducing a system of selling land through auctions only after developers promise to pay a minimum amount, part of an undisclosed reserve price.

On May 5, the government sold a residential building site for a higher-than-estimated HK\$61 million (\$7.9 million), the first of the fiscal year that started April 1. It was the first public sale of a building site at least partially designated for housing since May 2008, according to the Lands Department.

Builders completed 5,500 private homes in the first nine months of the year, the Transport and Housing Bureau said Oct. 23, without giving figures for the same period in 2008.

For all of last year, 8,800 homes were built, the fewest since at least 1997, the bureau's figures showed.

Henderson Land Development Co. earlier this month said it sold a flat for what it called a world-record HK\$88,000 a square foot.

That announcement came hours after Tsang said the government may release more land for developers to stem price increases.

Dozens marched in the Central business district to the government office demanding Tsang to address the issue of property prices, Radio Television Hong Kong reported Oct. 25.

The index that tracks six of the city's biggest developers fell 2.2 percent, adding to a 3.6 percent drop Tuesday, after the Hong Kong

High-end office

REIT has good 3Q

Bloomberg News

BOSTON — **Boston Properties Inc.** said earnings excluding items rose 20 percent in the third quarter from a year earlier as the company collected more in rent.

Funds from operations (FFO) available to common shareholders climbed to \$158.5 million, or \$1.13 a share, from \$132.5 million, or \$1.09, the company said Wednesday.

The results run counter to the broader U.S. office market, where vacancies hit a five-year high in the third quarter, according to property research firm **Reis Inc.** (Nasdaq: REIS).

Boston Properties' focus on high-end buildings such as New York's Citigroup Center and San Francisco's Embarcadero Center means it will have an easier time leasing space, said Jordan Sadler, a REIT analyst with **Keybank Capital Markets Inc.**

"Tenants want the nicest space at the best value," he said. "Boston Properties is going to be able to steal tenancy away from lower quality buildings if they're willing to price aggressively."

Sadler rates the shares "hold." The company also projected FFO of \$4 to \$4.20 a share for 2010, and \$1.04 to \$1.06 for the fourth quarter.

Boston Properties (NYSE: BXP) is raising cash to shore up its balance sheet as real estate values fall. On Oct. 6, the company agreed to sell \$700 million of unsecured debt at 5.875 percent through a public offering. In June, it raised \$842 million of equity in a secondary stock offering.

Mortimer Zuckerman, publisher of the *New York Daily News* newspaper, is chairman of Boston Properties.

The company owns New York's General Motors Building and Citigroup Center. It also owns skyscrapers in Washington, Boston, San

Leasing Notes

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space at 1025 Prospect St., Suite 390, La Jolla **92037**, from **1025 Prospect Limited Partnership**. The property was leased for 37 months at \$117,587.

The lessee's representative was not disclosed. The lessor was represented by Mike Slattery and Bob Kuzman, of **Grubb and Ellis|BRE Commercial**.

Office: **Center for Community Solutions Inc.** (CCS) has leased 1,384 square feet of office space at 240 S. Hickory St., Suite 110, Escondido **92025**, from **Bright Hill Investments LLC**. The property, leased for 60 months at \$110,218, gross, will be used for an administrative and counseling office.

The lessee was represented by Dan O'Malley, of **O'Malley Commercial**. The lessor was represented by Don Zech and Nancy Murphy, of **CDC Commercial Inc.**

Retail: **Tonala Wholesale** has leased 804 square feet of retail space at 1090 Third Ave, Suite 5, Chula Vista **91911**, from **The Cardone Group**. The property was leased for five years at \$90,299.

The lessee and lessor were represented by Mike Clark, Joe Yetter, Brian Jinings and Brent Williams, of Grubb & Ellis|BRE Commercial.

Industrial: Donald W. Detisch has leased 1,251 square feet of industrial space at 1010 Second Ave., Suite 1810, San Diego **92101**, from **Executive Complex LP**. The property was leased for 37 months at \$85,982.

The lessee was represented by James Laing, of **Cushman & Wakefield**. The lessor was represented by Stacy Meronoff, of CB Richard Ellis.

Office: **New Pointe Communities** has leased 932 square feet of office space at 16880 W. Bernardo Drive, Suite 230, San Diego **92127**, from **Bernardo View Properties**. The property was leased for 26 months at \$34,300.

The lessee was represented by Mike Glavan of **Colliers International**.

The lessor was represented by David Harper, Jay Alexander and Tim Olson, also of Colliers.

Office: **Zeiders Enterprises Inc.** has leased 1,198 square feet of office space at 3990 Old Town Ave., Suite C-101, San Diego **92110**, from **Dolphinshire L.P.** The property was leased for 12 months at \$28,032.

The lessee was represented by Jack Kruger, of Grubb & Ellis|BRE Commercial. The lessor was represented by Kruger.

Retail: **Computer Technology Resources** has leased 1,597 square feet of retail space at 8333 Clairemont Mesa Blvd., San Diego, **92111**, from **Pacific Realty Advisors**. The property was leased for six months at \$11,979.

The lessee represented itself. The lessor was represented by Nick Bonner, of CB Richard Ellis.