

borrowing costs spurred refinancing and purchases.

The Mortgage Bankers Association's (MBA) index of applications to purchase a home or refinance a loan rose 13 percent to 668.5 in the week ended Sept. 18 from 592.8 in the prior week.

The group's gauge of refinancing surged 17 percent and its measure of purchases climbed 5.6 percent.

The worst real estate slump in seven decades is easing as falling mortgage rates and incentives such as tax credits to first-time homebuyers boost demand.

One reason the rebound may be muted is that foreclosures, which add to the glut of homes on the market, are hurting

Inc. in Holland, Penn.

"This sector is likely to start adding to growth rather than holding back the economy," he said.

The MBA's purchase index increased to 288.3 last week from 272.9 the previous week, the Wednesday report showed.

The refinancing gauge jumped to 2,881.5, the highest level in more than three months, from 2,454.5.

The share of applicants seeking to refinance loans rose to 64 percent of total applications last week, from 61 percent.

The average rate on a 30-year fixed loan dropped under 5 percent for the first time since May, decreasing to 4.97 percent last

See **Mortgage** on 3B



COMMERCIAL SALES

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

THE TOP COMMERCIAL SALES OF THE DAY

- The warehousing at 502 Tenth St, San Diego, **92101**, was sold by Lula D. Porter, trustee, to DurketMeads, LLC on 09/17/2009. **Tax Value \$1,350,000.**
- The store bldg. misc. at 859-63 Hornblend St, San Diego, **92109**, was sold by Jerry J. Reaves, trustee, to Village Home Development, LLC on 09/16/2009. **Tax Value \$1,200,000.**
- The 4 vacant residential at Ocotillo St, Santee, **92071**, was sold by MS Rialto Sky Ranch, LLC to Lennar Homes of California, Inc on 09/17/2009. **Tax Value \$1,161,500.**
- The 3 unit, multi-residential at 1454-58 Naranca Ave, El Cajon, **92021**, was sold by Bank of New York, trustee, to Stephen Goldberg and Lorna Goldberg on 09/16/2009. **Tax Value \$480,000.**
- The 24 unit, multi-residential at 679-91 Valley Ave, Solana Beach, **92075**, was sold by Adam C. Carruth to Dennis C. Carruth on 09/16/2009. **Tax Value \$400,000.**

HOME SALES

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

THE TOP FIVE HOME SALES OF THE DAY

- The house at 6794 Avenida Andorra, La Jolla, **92037**, was sold by Rusel E. Green and Mary A. Green, trustees, to Matthew McGrath and Sandra McGrath on 09/17/2009. **Tax Value \$2,000,000.**
- The house at 13054 Via Grimaldi, Del Mar, **92014**, was sold by John R. Perell and Kim J. Reed to Brian S. Kelleher and Laura A. Kelleher on 09/17/2009. **Tax Value \$2,000,000.**
- The house at 15684 Oakstand Rd, Poway, **92064**, was sold by Susan M. Halfaker, trustee, to Jeff L. Mangum and Christine W. Mangum, trustees on 09/18/2009. **Tax Value \$1,375,000.**
- The house at 20260 Fortuna del Este, Escondido, **92029**, was sold by Julie K. Brailsford to William Stosic on 09/16/2009. **Tax Value \$1,325,000.**
- The house at 7293 Calle Conifera, Carlsbad, **92009**, was sold by Steven Depetro to Bradford O. Hearn and Amy L. Hearn, trustees on 09/18/2009. **Tax Value \$950,000.**

See **Home Sales** on 8B

Chuze Fitness in Escondido

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: **Chuze Fitness** has leased 16,023 square feet of retail space at 421 W. Felicita Ave, Suite 21, Escondido **92025**, from **Centro Properties Group**. The property was leased for five years at \$1 million.

The lessee was represented by Chad Iafrate, of **Grubb and Ellis|BRE Commercial**. The lessor was represented by Gabriella Samperio of Centro Properties.

Office: **Porter Novelli Inc.** has leased 5,885 square feet of office space at 3033 Fifth Ave., Suite 400, San Diego **92103**, from **C & S Investments**. The property, leased for 63 months at \$642,642, will be used for a public relations firm.

The lessee was represented by Steve Wells and David Crabb, of **CB Richard Ellis** (NYSE: CBG). The lessor was represented by Dan McCarthy and Jennifer Gallivan, of **Cushman & Wakefield**.

Retail: **Tuesday Morning Inc.** has leased 6,055 square feet of retail space at Marketplace Partnership, 3338 Governor Drive, San Diego, **92122**, from **UC Marketplace Partnership**. The property, leased for 64 months at \$467,698, will be used for an upscale close-out merchandise store.

The lessee was represented by Jon Ratus, of **Studley Inc.** The lessor was represented by Rob Ippolito and Kam Walton, of **Cushman & Wakefield**.

Office: **DigitalMojo Inc.** has leased 2,623 square feet of office space at 8910 University Center Lane, San Diego **92122**, from **Glenborough Aventure LLC**. The property, leased for 36 months at \$249,709, will be used for a graphic design firm.

The lessee was represented by Tom Wilcox, of **Colliers International**. The lessor was represented by Steve Wolf and Brunson Howard, of **Cushman & Wakefield**.

Industrial: **Vickers Power Fluid** has leased 5,328 square feet of industrial space at 8451 Miralani Drive, Suites H and J, San Diego **92126**, from **R.J. Land Company**. The property was leased for 59 months at \$245,742.

The lessee and lessor were represented by Arnie Freidman, of **Colliers International**.

Industrial: **Laser Saver Inc.** has leased 3,791 square feet of industrial space at 8451 Miralani Drive, Suites S and T, San Diego, **92126**, from **R.J. Land Company**. The property was leased for 60 months at \$184,632.

The lessee and lessor were represented by Arnie Freidman, of **Colliers International**.

Industrial: **MAJ Investors** has leased 4,536 square feet of industrial space at 4059 Oceanside Blvd., Suites A-D, Oceanside **92054**, from **Partnership With Industry**. The property was leased for 36 months at \$152,412.

The lessee was represented by Glen Friedrich, of **Cresa Partners**. The lessor was represented by Josh McFadyen and Jim Spain, of **Colliers International**.

Retail: **Martime Escrow Inc.** has leased 2,170 square feet of retail

See **Leasing Notes** on 2B

Industry Briefs

Launching Club 3500

The San Diego Sports Arena this week unveiled plans for the new 6,500-square-foot **Club 3500** that will debut in early October.

The club is part of a \$2.5 million renovation to the 43-year old facility that includes new seats to the lower level, LCD televisions, new restrooms and an upgraded concourse design and arena entrances.

"We're extremely proud and excited about Club 3500, which will be the signature piece of the San Diego Sports Arena that is part night club, part sports bar and the signature to our new VIP experience for shows and special events," said Ernie Hahn, general manager of the Sports Arena.

Club 3500 will have a membership component and can be rented for special events.

The membership will be provided and exclusive parking entrance and exit, a member's arena entrance, and access to the best seats in the house for every event. In addition, the facility was designed for outside leasing incorporating a DJ booth and club dancing.

Club 3500 is designed by **MKA Inc. Architecture's** Dan Martorana and Chris Babin. The general contractor is Dave Gash from **Gold Coast Renovations**, who constructed several signature San Diego projects including **Tower 23** and **MoonDoggies**.

Construction included aluminized image panels made from recycled tires, the 70 percent recycled glass tile facades, eco-friendly crushed quartz counters, recycled carpet and tiles, LED lighting accents, and local reprocessed woods for lounge seating, according to Martorana.

Medical office condo

The 1,680-square-foot medical office condominium at 31493 Rancho Pueblo Road, Unit 11, in Rancho Pueblo Center in Temecula has sold.

The buyers were represented by Brandon Sudweeks of **Sudweeks Commercial Real Estate**. The seller, **Rancho Pueblo I, LLC**, was represented by Kevin Tremblay, of **Cushman & Wakefield**.

The center is a five-building, 109,000-square-foot office project built in 2007 by **Covenant Development**.



On the rebound

(Bloomberg) — The U.S. housing market is starting to rebound, said Eli Broad, the billionaire founder of U.S. homebuilder **KB Home** (NYSE: KBH).

"We have bottomed out in many markets, not all," Broad, founder of the Eli and Edythe Broad Foundation, said Wednesday. "Some are still woefully overbuilt."

"We're seeing a firming of prices in some markets, not all," he said. "There is quite a bit of inventory, which means you're not going to have a lot of housing production."

"We're going to have to keep interest rates low," said Broad.

See **Industry Briefs** on 2B

Leasing Notes

Continued from Page 1B

space at La Costa Town Center, 7750 El Camino Real, Suite A, Carlsbad 92009, from **La Costa Tower, LLC**. The property, leased for 24 months at \$97,650, will be used for an escrow service and real estate company.

The lessee represented itself. The lessor was represented by Kam Walston and John Jennings, of Cushman & Wakefield.

Office: **Roberto's Mexican Food Inc.** has leased 1,275 square feet of office space at 444 S. Cedros Ave., Suite 100, Solana Beach 92075, from **South Cedros Associates, LLC**. The property was leased for 36 months at \$82,008.

The lessee and lessor were represented by Steve Bruce of **Lee and Associates**.

Retail: **Diamond Cutz Hairstyles, LLC** has leased 988 square feet of retail space at Miramar Crossings, 7090 Miramar Road, Suite A, San Diego 92121, from **Providence Capital Fund, IX, LP**. The property, leased for 39 months at \$51,689, will be used for a barbershop.

The lessee represented itself. The lessor was represented by John Jennings and Aaron Hill, of Cushman & Wakefield.

Retail: **Kazzoe, LLC**, dba **MikeKoenigs.com**, has leased 1,500 square feet of retail space at 3202 Governor Drive, Suites 204 and 205, San Diego 92122, from **UC Marketplace Partnership**. The property was leased for 12 months at \$29,961.

The lessee represented itself. The lessor was represented by Kam Walton and Rob Ippolito, of Cushman & Wakefield.

Office: **OC Home Loans** has leased 440 square feet of office space at 444 S. Cedros Ave., Suite 210, Solana Beach 92075, from **South Cedros Associates, LLC**. The property was leased for six months at \$6,000.

The lessee and lessor were represented by Steve Bruce, of **Lee and Associates**.

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: 20090923tdc

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Rio Grande getting sewer plant update Industry Briefs

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By SUSAN MONTOYA BRYAN
The Associated Press

ALBUQUERQUE, N.M. — One of the West's most important water ways, the Rio Grande, will be getting an infusion of what officials say will be safer and cleaner water once a project to modernize New Mexico's largest wastewater treatment plant is done.

Officials with the Albuquerque Bernalillo County Water Utility Authority broke ground Thursday on the plant's \$7.4 million makeover.

The plant, which treats more than 50 million gallons per day, currently uses chlorine gas to disinfect effluent before it's discharged into the Rio Grande. Over the next year, a system that uses ultraviolet light will be constructed to kill bacteria and viruses in the water before it's released.

Alan Armijo, chairman of the Bernalillo County Commission and vice chairman of the water authority, said community leaders are conscious of the river's importance to New Mexico and users further south.

"We want to make sure whatever we put in the river is cleaner and not going to be harmful to fish and people downstream. This whole new system is going to help us get to that point," Armijo said.

More than a half million people in Albuquerque are served by the water authority and depend on the Rio Grande for some of their drinking water.

To the south, Las Cruces is building a diversion system to use river water in the future.

El Paso, Laredo and other Texas cities also depend on the Rio Grande along with farmers

throughout the river valley.

The water authority said the treatment plant's chlorination system has worked well for decades but converting to ultraviolet light will eliminate any residual chemical compounds in the treated water as well as the need to transport, store and handle hazardous materials.

With the current system, the plant turns liquid chlorine into gas and adds it to the effluent as it goes through the treatment process. Before the water is released into the river, sulfur dioxide is used to remove extra chlorine.

While the plant has never had a hazardous gas leak, the ultraviolet system will be much safer, said Joe Chwirka, manager of the water authority's plant operations division.

More than one-fifth of wastewater treatment plants in North America use UV disinfection systems. Chwirka said more plants are moving in that direction because the technology is proven and federal regulators are encouraging safer methods that don't involve volatile compounds.

The water authority studied the technology for about three years and spent a year working with engineers to design the system, which will be made up of two long tanks that will pass water over a series of ultraviolet light bulbs. Specific frequencies of UV light disinfect the water by destroying the genetic material within viruses, bacteria and other germs that are resistant to chlorine.

The new system may also help the water authority save money. Chwirka said the costs of chlorine and fuel to transport the chemical have been on the rise.

Source Code: 20090923tdg

Mortgage fraud

(AP) — The FBI has arrested 49-year-old Helen Sotiriadis and her daughter, 23-year-old Irene Sotiriadis of Manteca, Calif., accused of defrauding lenders of about \$5 million from home sales.

Prosecutors say the women sold 30 properties to Cambodian nationals between March 2006 and November 2007.

But a complaint alleges the women inflated the buyers' incomes on loan papers and promised them refinancing would drop their monthly payments.

Prosecutors say the women never did any refinancing and the homes went into foreclosure.

FBI agents arrested the pair Sunday after they got a tip that the Sotiriadis were planning to relocate to Greece. Attorneys for the women insist their clients were not trying to flee.

Kansas fraud

(AP) — Two people have pleaded guilty in Topeka for their parts in an alleged mortgage scheme that prosecutors say defrauded lenders of \$3 million.

U.S. Attorney Lanny Welch said 50-year-old Deborah Saulmon of Olathe and 27-year-old Bora Ly of Raytown, Mo., pleaded guilty Tuesday to one count each of conspiracy to commit bank fraud, money laundering and wire fraud.

Nine people were indicted earlier this year in a scheme in 2006 to defraud lenders by recruiting people to pretend to buy homes and submit false information to get loans.

The straw buyers allegedly would submit false information to receive loans for which they weren't qualified.

Saulmon admitted using her property management company to create false rent histories for the supposed buyers. Ly said he acted as a straw buyer and helped launder the conspiracy's gains.

Importing trash

(AP) — U.S. Sen. Harry Reid is seeking funding to study the environmental impact that a proposed landfill near Winnemucca and tons of imported trash from California would have on northern Nevada rivers and aquifers.

Reid, D-Nev., on Tuesday introduced an amendment to the Interior Department's appropriation bill to fund a study by the U.S. Geological Survey on seepage from trash at the Jungo Disposal site.

Recology, a California company, proposes to haul 20 tons of garbage weekly from Northern California to the site for 95 years.

The company received a conditional special use permit by the Humboldt County Regional Planning Agency two years ago, but a citizens group is fighting the project. The project still needs state environmental permits.

Recology spokesman Adam Alberti has said the employee-owned company is environmentally friendly, with an 89-year history of operating safe landfills.

"We don't want to jam it down their throats," Alberti told the *Las Vegas Review-Journal* in an earlier report.

Hawaii housing

(AP) — With the highest housing costs in the nation, it's not surprising Hawaii leads the nation in multigenerational households.

More than 7 percent of Hawaii households have at least three generations living together, according to the U.S. Census Bureau's American Community Survey for 2008.

Hawaii's high cost of housing could also account for the survey finding that the islands lead the nation in percentage of housing