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View from the Top Real Estate Market Update

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February 8, 2010

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Deals Update

[Investec acquires San Diego shopping center for \\$21.15 million](#)

Globe St. - Feb 5

Santa Barbara-based investment firm Investec has acquired the 99,304-square-foot, 100% occupied Plaza at Sunbow shopping center from Phoenix-based Levine Investments for \$21.15 million in an all-cash, off-market transaction. The shopping center is anchored by Ralphs and CVS/pharmacy, along with a host of national retailers including Starbucks, McDonald's, KFC and T-Mobile.

[\\$72 million retail sale is largest D.C.-area retail deal in 2 years](#)

The Baltimore Sun - Feb 4

A [JBG Rosenfeld Retail](#)-led team of investors bought [The Village at Waugh Chapel](#) for \$72 million. The 390,000-square-foot shopping center in Gambrills, Md., is the biggest retail trade in the Washington area for the past two years, according to JBGR. The Village at Waugh Chapel is a grocery-anchored shopping center with big-box stores such as Marshalls and Home Goods.

[Foreclosed building in Atlanta sells for \\$66.1 million](#)

The Atlanta Journal-Constitution - Feb 3

A foreclosed hotel/ luxury condo building in Atlanta, which was operating normally, was sold for \$66.1 million. The building houses a 127-room luxury hotel, run by Rosewood Hotels & Resorts, and more than 40 condos. David J. Burge, a local attorney for Smith Gambrell & Russell, represented iStar during the foreclosure sale and confirmed the transaction, but had no details about the company's plans for the property.

[Sausalito hotel sold in foreclosure sale for \\$11.4 million](#)

Contra Costa Times - Feb 2

Sausalito's landmark Casa Madrona Hotel & Spa was sold on the steps of San Rafael City Hall for \$11.4 million as part of a foreclosure sale. James P. Knell, chairman of SIMA Management Corp. of Santa Barbara, offered the sole bid for the hotel at the auction, attended by about 30 people. The minimum bid set by the FDIC was \$11.4 million, and Knell submitted a bid \$1 above that. The historic site was taken over in 2008 by the FDIC when owners defaulted on their loan, causing Georgia-based Integrity Bank to fail and putting the foreclosure in motion. The unpaid loan balance was more than \$24 million.

[Bay Area shopping center is sold for \\$44 million](#)

San Francisco Business Times - Jan 29

Loja Real Estate has acquired The Shops at Waterford, a Safeway-anchored shopping center in Dublin, Calif., for \$44 million through a new fund that aims to invest \$300 million in grocery-anchored retail properties in high-barrier markets. "This property is exemplary of the type of property we will seek to acquire in similar markets in the West," says Tom Engberg, CEO of Loja Real Estate.

[EastGroup REIT buys three building complex in San Diego](#)

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for \$17 million

EastGroup Properties - Jan 29

EastGroup Properties of Jackson, MS has acquired the three-building, 274,000-square-foot Ocean View Corporate Center, a multi-tenant distribution complex in San Diego, for \$17 million. The property is in the Otay Mesa submarket and is 87% leased to 14 customers, according to an announcement from EastGroup, which says the property is projected to generate an annualized yield of 9.6% at its current occupancy and rents.

CBRE Capital buys distressed debt on 203 units in San Francisco

Globe St. - Jan 29

CB Richard Ellis Capital Partners has acquired distressed debt on a multifamily portfolio of 12 buildings totaling 203 apartment units and eight commercial units. According to Frank Scavone, COO of the Capital Partners' funds, the disposition strategy for the portfolio is to pursue a mix of discounted payoffs with the borrowers and short sales to third-party buyers, as well as foreclosure.

Citigroup said to be near deal to sell real estate unit

Bloomberg News - Jan 28

Citigroup Inc. is reportedly in advanced talks to sell Citi Property Investors, its global real estate investment unit, according to a Bloomberg News report. The bank has selected a shortlist of final bidders for the unit, which owns commercial property in the U.S., Europe and Asia valued at \$5 billion to \$10 billion. The report, which cited anonymous sources, said Citi valued the unit's capital and real estate assets at \$12.5 billion as of June. PERE magazine reported this week that investment firms Apollo Global Management and Australia's Macquarie Group Ltd. are among the finalists in the bidding.

Stoneridge buys Hawaiian retail center for \$50.3 million

Pacific Business News - Jan 25

A&B Properties has sold its Mililani Shopping Center in central Oahu, Hawaii, for \$50.3 million in cash. It is the first transaction in the state for the buyer, Stoneridge Capital Partners. "Due to supply constraints within the local market, this shopping center benefits from both high occupancy levels and historically high rental rate growth, making it an ideal fit for our real estate investment strategy," Stoneridge CEO Greg Merage said.

Investors spend \$21 million acquiring six net-leased retail properties in Orange County area

Globe St. - Jan 20

Investors have spent nearly \$21 million acquiring six net-leased retail properties in Orange County and other western locations?one that employed a tenant-in-common structure in a 1031 exchange. Hanley and William B. Asher of Hanley Investment Group negotiated the sale of four of the NNN properties for a total of \$15.4 million. The other two retail deals included sales of \$2.8 million and nearly \$2.3 million that were brokered by Marcus & Millichap.

Emeritus forms joint venture with Blackstone to buy 134 senior-living communities

Reuters - Jan 19

Emeritus Corp. announced that it formed a joint venture with Blackstone Real Estate Advisors and Columbia Pacific Advisors to buy 134 senior-living communities from Salem, Ore.-based Sunwest Management, for \$1.15 billion, including debt. The purchase includes cash, assumption of secured debt and the potential equity rollover of up to \$25 million by the existing Sunwest investors. Emeritus and Columbia Pacific Advisors will have an interest of up to 10% each, and Blackstone Real Estate Advisors will hold up

employment and labor law.
[More...](#)

to 80%, the company said.

San Diego apartment sells for \$28 million

Globe St. - Jan 15

Three complexes in San Diego County totaling 259 units have traded for an aggregate of \$28 million in three separate deals showing some multifamily movement in an otherwise sluggish market. The properties are the 136-unit Rancho Las Brisas, the 67-unit Windsong Villas and the 56-unit University Terrace complex, according to Hendricks & Partners, which brokered all three of the sales.

Equity & Debt Update

Hollywood Video to close 805 stores in bankruptcy

ICSC - Feb 3

Movie Gallery filed for Chapter 11 bankruptcy in order to restructure its \$600 million debt. The company plans to close 805 of its 2,415 Hollywood Video outlets as a result. Movie Gallery previously went into Chapter 11 bankruptcy in October 2007, emerging in 2008 following its purchase by its current principal owners, private investment firms Sopris Capital Advisors LLC and Aspen Advisors LLC.

Simon Property Group sells \$2.25 billion in debt

The Wall Street Journal - Jan 19

[Simon Property Group](#) has sold \$2.25 billion of new debt spread across five-year, 10-year and 30-year terms. The note sales illustrate the ongoing favorable capital markets environment for REITs, especially large firms such as Simon, which owns more than 300 U.S. malls. Earlier this month, Simon offered to buy back up to \$3.25 billion of its notes with due dates ranging from 2011 to 2013.

\$155 million mortgage extension brings GGP closer to solvency

Real Estate Channel - Jan 25

General Growth Properties has closed on a four-year extension of a \$155 million mortgage loan secured by Carolina Place, a Pineville, N.C., shopping center. With this funding in place, GGP has restructured 74 mortgage loans for a total of about \$9.4 billion. It needs final approval from a bankruptcy court on 16 loans totaling \$2.1 billion.

Government Action Update

No government action to report.

Special Features

No special features to report.

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