

Message From the President

All of us in the commercial real estate business are bombarded by TV, radio and print media...the trillion dollar bailout, job losses unmatched since the Great Depression, falling real estate values, and the capital market crisis. NAIOP SoCal, like many of you, is feeling firsthand the effects of this difficult market. Having the honor of being the 2009 chapter president, I state with full confidence that NAIOP SoCal is resolute in adapting to this new market environment while continuing to focus on our core objectives and maintaining our leadership role within the Southern California commercial real estate community. As we work through the serious challenges of today, our members needs are central to the plans of the chapter.



During 2009 we will provide timely educational programs that reflect today's reality, like an upcoming program to help real estate professionals in their twenties and thirties provide differentiated value to their employers... and, if appropriate, to succeed in finding new employment in this market. The program will be led by a founder of Pepperdine's MBA program, an executive recruiter expert in the commercial real estate field, and the 2008 NAIOP national chairman. Or, like the UCI Breakfast Series program we recently hosted with a panel of industry leaders discussing effective leasing strategies for the current economic environment. In addition we'll vigorously defend our industry against the onslaught of legislation inevitably proposed as governments look for additional revenue sources...be that split roll property taxes, city warehouse taxes, or other counter-productive proposals. We will deliver signature networking events like Night at the Fights and the golf outings that support the relationships so central to success within our industry. And finally, a legacy will be born out of this crisis...NAIOP SoCal will establish annual scholarship support for a local university student studying commercial real estate. Ultimately, even in these trying times, investing in the future of our industry will pay great dividends!

Undoubtedly you've noticed the new [NAIOP corporate branding](#) and naming. In conjunction with our new website, this reinforces that we are THE association for commercial real estate development. NAIOP SoCal is a relationship-based organization focused on leadership and the ongoing improvement/influence of our industry through education and legislative advocacy. I urge you to visit us at www.naiopsocal.org. See

what's happening. Determine how you can benefit and contribute. Tell us about programs that you believe would make a difference today...I'd like to hear your thoughts and can be reached via e-mail at trs@buchananstreet.com.

Almost fifty years ago, John F. Kennedy shared with America that the Chinese use two brush strokes to write the word 'crisis'. One brush stroke stands for danger; the other for opportunity. And he stated, "in a crisis, be aware of the danger - but recognize the opportunity." Yes, the times are tough. But, remember that the commercial real estate industry has survived only to thrive after a crushing bear market in the early seventies, 20% interest rates in the early eighties, and the end of the S&L's that supplied much of the capital for our industry in the early nineties at the same time that experts predicted we had so much supply that new buildings wouldn't be built for as many as fifteen years in many parts of the country. Opportunity still exists and NAIOP SoCal will help deliver it.

Thomas R. Sherlock

President

NAIOP Announces New Brand Name and Identity

The NAIOP SoCal Chapter, in conjunction with NAIOP corporate, recently unveiled a new name and brand identity. A better reflection of the NAIOP membership's expansion into a broader scope of commercial real estate, the organization is now called NAIOP. NAIOP is now a name, rather than an acronym for the organization's former name – National Association of Industrial and Office Properties. A definer, the Commercial Real Estate Development Association, complements the name and signifies the association's strategic shift of encompassing all professionals within the industry.

"The new name and branding for NAIOP clarify that we provide leadership for the entire commercial real estate development community, including medical office, mixed-use, retail and multifamily properties," said Tom Sherlock, NAIOP SoCal's 2009 President. "We look forward to continually providing legislative awareness and advocacy, quality educational programs and broader business networks for all developers."

Visit [NAIOP SoCal online](#) to view the new look of the organization.

Legislative Report

Chapter Leadership Conference in Washington DC Focuses on Legislative Issues

Legislative Affairs Committee Chairman Jim Camp (Voit Development Company) was among several Chapter representatives who attended the Leadership Conference in Washington, DC this February. Included in the visit to the nation's capitol were meetings with ten members of Congress representing both Los Angeles and Orange Counties. The purpose of the congressional visits was to reinforce and support NAIOP's positions on important issues such as carried interest, leasehold improvement depreciation, brownfields remediation expensing, and energy efficiency for commercial buildings, transportation and infrastructure and, most importantly, the credit crisis in commercial real estate.



Congressman Ed Royce visit – pictured from left to right:

Robert Evans, Assistant Director of Legislative Affairs, Rex Hime, CEO CBPA, Congressman Royce, Vickie Talley, Director of Legislative Affairs.



Congressman Ken Calvert Visit – SoCal joined with representatives of the Inland Empire in meeting with Congressman Calvert. From left to right:

Brian Hall, Michael Morris, Mary Sullivan, Congressman Ken Calvert, Phil Bowman, Steve Ames, Ron Washle and Vickie Talley.

2009 Elections Report

There are several cities in Los Angeles County holding municipal elections this year. On March 3 a primary election will be held for the Mayor of Los Angeles and eight of the Council Districts. NAIOP SoCal Members engaged in the City of Los Angeles are encouraged to call NAIOP SoCal Political Action Committee Chairman Marty Stradtman as the Chapter is monitoring these races and others impacting the industry.

The Chapter's Political Action Committee supported the adoption of a city-wide utility tax in the City of Carson in an effort to head off efforts to adopt a warehouse tax.

An Invitation to Join the Legislative Affairs and Political Action Committees

While the Legislative Affairs and Political Action Committees both have numerous members actively participating on the committees there is always room for more. These are "working committees" and, with so many issues to monitor, there is a need for more actively engaged NAIOP SoCal members to join these two important committees. If you would like more information on becoming involved, please contact Legislative Affairs Committee Chair Jim Camp at (949) 644-8648, Political Action Committee Chair Marty

Stradtman at (949) 552-5865 or Director of Legislative Affairs Vickie Talley at (949) 380-3300. Your participation would be welcomed and very much appreciated!

Please Alert Your Legislative Affairs Committee About Issues!

You, as a NAIOP SoCal member, are the eyes and ears of the Chapter when it comes to being “on the ground” in the cities and counties in the SoCal region. When issues arise in your local jurisdiction that impact commercial real estate, please be sure to contact the Chapter’s Director of Legislative Affairs Vickie Talley for assistance and support. Vickie can be reached at (949) 380-3300 or vickie@talleyassoc.com.

Meeting Scheduled with Assemblyman Jeff Miller

The SoCal Chapter is working with the Inland Empire Chapter to coordinate a meeting with newly elected Assemblyman Jeff Miller, who represents areas in both regions. If you are interested and would like to participate in the meeting with Assemblyman Miller, please contact Vickie Talley at (949) 380-3300.

CARB DRAFT REFRIGERANT REGULATIONS

So you thought 2008 was a busy year! Well, the State regulators have not slowed down. In January CARB released a draft regulation to supposedly reduce greenhouse gas (GHG) emissions through rules on leak detection/prevention on commercial refrigerant/air conditioning systems. Your NAIOP chapter worked with CBPA on comments to the overreaching rules, and, in fact, NAIOP SoCal was the principal author of the final comment letter. The draft regulation will place an unnecessary cost burden on commercial buildings at a time when the economy is so weak. Plus, it does not take into account what is already occurring in the industry with preventive maintenance and technological advances. Furthermore, there are so many agencies and so many rules coming out to supposedly address GHGs that inconsistencies will be created which will surely cause confusion and inefficiencies. ([Click Here for a copy of the letter to CARB](#))

NEW STORMWATER PERMIT

If it’s not GHG, its clean water and a whole lot more. The Santa Ana Regional Water Quality Control Board (SARWQCB) released their new stormwater permit. This one could be very problematic as it relies heavily on the idea of a 5% Effective Impervious Area (EIA) and this incredibly stringent EIA is to be accomplished through Low Impact Development (LID). And these efforts are really focused on a project by project basis as opposed to a broader scope which would be more realistic in achieving the supposed goal of controlling runoff in the watershed. Additionally, the draft permit seems to exclude other proven technologies which limits commercial builders’ flexibility when faced with geotechnical and other complex issues. This permit will be heading to the Board this year, so stay tuned. ([Click Here to see NAIOP’s letter to the Board](#))

NAIOP SoCal Kicks off 2009 on March 3 with the NFL Experience

NAIOP will bring the NFL experience back to Los Angeles on March 3rd in an annual kick-off event. The event presentation includes a multimedia tour of Los Angeles' NFL Stadium Proposal. An NFL team based in Los Angeles has been a longtime prospect and debate for the region. NAIOP SoCal will deliver an up-to-the-minute progress report on the endeavor and an overview of the surrounding real estate development – all provided by John Semcken, vice president of Majestic Realty Co. Starting at 5:30 pm in the City of Industry, the event is sure to draw all the colleagues you hope to network with. [Register online](#) no later than February 27.

YPG Class of 2008-09 Raises \$2,500 for Shields for Families

Thanks to the efforts of the 2008-09 students, a \$350 gift certificate from NAIOP SoCal to a group of YPGers for their winning class presentation has grown to over **\$2,500** through the dedication and commitment of the entire class. Foregoing the usual celebration party, the winning team of Ania Bloniarz, Hiep Diep, William Lu, Brianna McHenry, Scott Perkins, Andrew Richards and Praveen Sukumaran opted instead to invite their fellow students to join them in raising funds for **Shields for Families**, a charitable organization dedicated to providing aid to low-income families affected by substance use and child abuse in the Watts and Compton communities. Through personal donations and matching corporate contributions, the \$2,500 raised by the students, when added to funds already raised during last year's holiday mixers, brings NAIOP SoCal's fundraising efforts to over \$3,500 for the organization. Kudos to the entire YPG Class of 2008-09 ... you make us proud!



Kudos to the YPG Students who donated to the Shields for Families effort.

Night at the Fights – Let the Ceremonies Begin!

The ceremonies begin on May 14th! Once again, Night at the Fights brings together commercial real estate and the explosive sport of boxing. Join us at the Hyatt Regency Irvine for a grand occasion in the spirit of competition and sports excellence. General registration opens soon – watch for details! Contact the Chapter office at 714.979.9131 for questions and additional information.

March Madness – Join us March 26th!

Join NAIOP SoCal on Thursday, March 26 at JT Schmid's in Tustin for this year's annual "March Madness" Mixer. Enjoy fun, food and camaraderie while you cheer your favorite team on to victory! The event will begin at 5:30 p.m. [Click here for more details](#), or contact the Chapter office at 714.979.9131.

NAIOP Receives Chapter Merit Award



During the recent Chapter Leadership Retreat, NAIOP SoCal received a Chapter Merit Award in the Special Event category for the revamped USC vs. UCLA Real Estate Challenge. Shown with the Award are (left to right), Tom Sherlock, 2009 NAIOP SoCal President; Terry Thompson, Past President; and Cynthia Fusco, Executive Director.

KUDOS Column: Turner Development Hosts Health Fair at Medical Park at Riverwalk

In a widely successful effort to engage community members in their health, Turner Development Corporation and Loma Linda University Health Care hosted a health fair at the Medical Park at Riverwalk in Riverside late last year that drew more than 700 Riverside residents. The event featured booths offering blood glucose screenings, eye check screenings, plastic surgery analysis and screenings, blood pressure screenings and body fat analysis. Loma Linda University Health Care had recently signed a lease at Phase Two of the Medical Park at Riverwalk, which is comprised of two buildings totaling 72,000 square feet.

“We were thrilled to co-host the Riverwalk Health Fair and see the tremendous turn out from the community,” said Rusty Turner, president of Turner Development Corporation.

NAIOP SoCal Welcomes New Members!

NAIOP SoCal would like to welcome 58 new members to the chapter between October 25th and February 19th. We look forward to seeing each of them at our upcoming events!

The Abbey Company

Charles Conwell III

American Realty Advisors

Albert Pura

Bank of the West

Kendall Ching, Anthony Cruz, Jon Tarnow

Bixby Land Company

Brett Turner

Buchanan Street Partners

Joseph Maehler

CB Richard Ellis

Jake Stickel

CIP Real Estate

Lee Ann Bluth

City National Bank

John Finnigan, Paige Serden

Cushman & Wakefield of California Inc.

Jeff Cole, Robin Dodson, Mitch Sigband

DAUM Commercial Real Estate Services

Joseph Tilton

Deloitte & Touche LLP

Robert Antonucci

F. Rodgers Corporation

Kevin Shinar

GE Real Estate

Angela Azizian, John McEachern, Nathan McElmurry

Green Hasson & Janks LLP

Anant Patel

Herman Miller

Brian Ogden

Howard CDM

Karl Kreutziger, Jonathan Varela

Howard S. Wright Constructors, LP

Ryan Reese

IDS Real Estate Group

Brett Dallas

Irvine Company Office Properties

Chris Marsh

Johnson Capital

Jeff Kearns

JP Morgan Chase Real Estate Banking

Alec Speltz

KBS Capital Advisors

Jeffrey Rader

La Jolla Pacific Ltd.

Dan Reeve

Maguire Properties, Inc.

John Bendetti

MidFirst Bank

Jacqueline Bohline

Passco Companies LLC

Gary Goodman, William Winn

REC Solar, Inc.

Richard Denzer, Ryan Park

Reznick Group

James Hibbert, Michael Lord, Sonya Rosenbach

RREEF/Db Real Estate

Dan Patterson, Laurie Wilson

Scholten Roofing Service Company

Mark C' de Baca

Shea Properties

John T. Tindall

Snyder Langston

Steve Gabbert, Chris Sanford

Southern California Edison

Tod Sword

Southland EDC

Matthew Davis

Studley

John Carrick

TA Associates Realty

Clifford Chandler

TIAA-CREF

John Cornuke, Derek Landry

UCLA Anderson School of Management

Soren Halladay

United Paving Co.

Steven Fitzpatrick, Randy Hodges, Tracie Moran

University of Southern California

Spencer Bogner

USC Marshall Business School

Pouria Rafael

Members in the News

Grubb & Ellis Company announces that Craig Cahow, a 30-year veteran of commercial real estate in the Los Angeles area with more than \$1 billion in completed transactions, has joined its West Los Angeles office as a senior vice president, Office Group. His focus will be office landlord and tenant representation.

Grubb & Ellis Company reports the sale of a 606,027-square-foot industrial/R&D portfolio in Tucson. Intercontinental Real Estate Corporation, a Boston-based real estate investment company, purchased the portfolio from a joint venture of **The Muller Company** and **GE Real Estate** for \$46.3 million. It is the largest investment sale completed in Tucson so far this year. Ryan Gallagher and Kelly Rohfeld with Grubb & Ellis' Institutional Investment Group represented the buyer and the seller in the transaction along with local market brokers Russ Hall and Steve Cohen of Picor Commercial.

Grubb & Ellis Company announces that commercial real estate veteran Steve McClurkin has joined its Newport Beach office as a senior vice president with the Retail Group. McClurkin comes to Grubb & Ellis after nine years with Main + Main, a retail consulting, tenant representation and lifestyle firm, where he served as partner and vice president of leasing.

Newport Beach, Calif.-based **Master Development Corporation (MDC)** reports that it has secured a tenant for its 113,500 square-foot single-user industrial building in Vernon, Calif., which MDC acquired in February 2008 and then renovated. International manufacturing firm Clear Lam Packaging, Inc. (Clear Lam) signed a five-year lease. The company will be utilizing MDC's Vernon building for its West Coast manufacturing and distribution purposes.

PCCP, LLC acquired the A note of a loan previously held by Column Financial. PCCP, LLC purchased the B note of the same loan from Column Financial in December 2007. The loan is secured by two hotels owned by The Carlyle Group. The two hotels include: Crowne Plaza at San Francisco International Airport in Burlingame, Calif. and a Holiday Inn Express in Walnut Creek, Calif. PCCP now holds both the A and B notes of the whole loan which was originally a \$48.3 million senior loan secured by a portfolio of four hotels in Northern California.

Shea Properties reports that it has secured a 35,000-square-foot lease with In-N-Out Burger at The Marketplace at Windingwalk. The 3,265-square-foot restaurant is the most recent tenant to open doors at the neighborhood shopping center in Chula Vista. In-N-Out was represented by Jon Horning of Flocke & Avoyer in the deal.

Snell & Wilmer L.L.P. opened a new office in downtown Los Angeles marking the firm's eighth location which will be a full-service law office anchored by partners who previously practiced with the Santa Monica law office of Dreier Stein Kahan Browne Woods George LLP.

Snyder Langston reports the completion of construction of a six-story, 160,000-square-foot Class A office tower located at 4160 Temescal Canyon Road within the master Planned Community of Dos Lagos in Corona. The building, which broke ground in February 2007, is LEED certified. It is the first of three buildings planned for Lakeshore Plaza, a project that will ultimately total 473,000 square feet and is adjacent to The Promenade Shops at Dos Lagos retail center. Irvine, Calif.-based Timberline Commercial Real Estate is the project's developer in partnership with the Dos Lagos master developer, SE Corp. The architect for the property is Ronald Frink Architects.

Stirling Capital Investments reports that it has secured a 55,000-square-foot lease renewal with Southern California Aviation at Southern California Logistics Centre (SCLC) in Victorville, Calif. Southern California Aviation, an aircraft engine parts and supply maintenance company, signed the lease renewal commencing February 1, 2009 and will continue to occupy the entire building located at 13290 Sabre Blvd. Southern California Aviation has been a tenant at Southern California Logistics Centre since 1998. The company currently occupies two hangars on-airport in addition to their building at Southern California Logistics Centre.

Voit Commercial Brokerage announces that it has named six of its professionals to Executive Vice President. The six brokers, each of whom have been with Voit Commercial Brokerage since its inception 20 years ago, are John Griffin, Mike Hefner, Al Pekarcik, Rob Socci, Louis Tomaselli and Mitch Zehner.

Voit Commercial Brokerage reports the \$27.3 million sale of a seven-building industrial portfolio totaling approximately 884,754 square feet in Modesto. The properties, ranging in size from 51,676 to 231,101 square feet, include:

- 214 Wieland Avenue, a 154,818-square-foot industrial building, was acquired by Amir Development, an investor.
- 601 Riverside Avenue, a 231,101-square-foot industrial building, was also acquired by Amir Development.
- 427 Doherty Avenue, a 67,500-square-foot industrial building, was acquired by Benjamin Steele, an owner/user.

- 501 and 533 Doherty Avenue, a 51,676-square-foot industrial property and an 82,500-square-foot industrial property respectively, were acquired by SaveMart Supermarkets, an owner/user.
- 2336 Doherty Avenue, a 171,250-square-foot industrial building, was acquired by Amir Development.
- 2105 Nathan Avenue, a 126,000-square-foot industrial building, was acquired by Dr. Stephen Endsley, an owner/user.

Voit Commercial Brokerage closed seven industrial sales transactions totaling \$11.1 million in Orange County. The properties include:

- 1007 Briosso, LLC, acquired 1007 Briosso Drive, a 16,559-square-foot property in Costa Mesa for \$2.8 million. Joe Winkelmann of Voit's Irvine office represented the buyer, 1007 Briosso, LLC. Paul Root of Madison Street Partners represented the seller, Marni Meyers.
- Gergen Homes, Inc. sold 19052 Goldenwest Street, a 6,430-square-foot Huntington Beach property for \$1.7 million. Rob Socci and Mike Bouma of Voit's Anaheim Metro office represented both the seller and the buyer, the Tung Family Trust, in the transaction.
- 1500 Lewis, LLC an 8,918-square-foot property located at 1500 S. Lewis Street in Anaheim for \$1.6 million. David McKenney of Voit's Irvine office represented the buyer. Taylor Heininger and Steve Brackmann of Ashwill Associates represented the seller, Joan Hill.
- LP Properties sold a 7,938-square-foot property located at 2160 E. Winston Road in Anaheim for \$1.5 million. Joe Miller and Rob Socci of Voit's Anaheim Metro office represented the seller. Tyler Pollock of Burke Commercial represented the buyer, Jason Cho.
- Hedley San Clemente I, LLC, sold a 6,297-square-foot property at 216 Avenida Fabricante, Suite 106 in San Clemente for \$1.4 million Mark Weeks, Tim Walker and Patrick Walker of Voit's Irvine office represented the seller. Patrick Walker also represented the buyer, J & D RE Investments 106, LLC, in the transaction.
- Gam Duong sold a 6,923-square-foot property located at 1030 Ortega Way, Unit A, in Placentia for \$1.1 million. Dave Bahnson of Eberle Company represented the buyers, Stacy and Jane Morgan. Dan Berkenfield of Voit's Anaheim Metro office represented the seller.

- Monty Blaeholder sold a 6,400-square-foot property located at 10655 to 10661 Stanford in Garden Grove for \$1 million. Mike Bouma of Voit's Anaheim Metro office represented the seller. Clara Watson of Tarbell Realtors represented the buyer, Steven Howieson.