

BKM Sells Out Space at Industrial Projects for \$42M

ING Clarion Buys Fullerton Warehouse; Grubb Adds Di Scipio; Merit Sees Ownership Change

COMMERCIAL

Brian Malliet's **BKM Development Co.** of Costa Mesa has just sold out two of its larger local industrial projects, targeted at smaller business owners, for a total of \$42 million.

BKM Red Hill Business Center, a 19 building, 142,018-square-foot industrial complex next to John Wayne Airport in Costa Mesa, sold for \$30 million. The project is made up of 17 industrial and office buildings ranging from 5,520 square feet to 9,301 square feet, as well as two office buildings totaling 32,897 square feet.

BKM bought the complex in late 2004, and wrapped up construction last year.

Buyers include InhouseIT Inc., Ultimate Image Printing, BBI, Sure Shine Services, Planet Beauty, Laurus Construction, SW3 LLC and Concept Studio.

The other property, State College Design Center—a 49,572-square-foot industrial complex next to the Anaheim Platinum Triangle—sold out for a total of \$12 million.

State College Design Center is a four-building property that BKM bought in mid-2005, and finished redevelopment earlier this year.

Louis Tomaselli and Mitch Zehner of **Voit Commercial Brokerage LP's** Orange office represented BKM and more than half of the buyers in the Red Hill sales. The duo, along with Voit's Seth Davenport, also handled all sales for the State College Design Center.

Next up for Tomaselli and Zehner: leasing up Crossroads Anaheim, a two-building, 276,825-square-foot manufacturing and distribution complex at 1650 N. Kraemer Blvd. BPG Properties Ltd. bought the vacant buildings for \$29 million last December in one of the larger industrial deals of 2006.

Voit and BPG Properties took a unique approach to draw interest to the renovated property this month—bringing in local sports star Matt Leinart to toss footballs inside the warehouse with a handful of lucky brokers. Leinart also used the occasion to draw awareness to his charitable foundation, which raises money for underprivileged and disabled children.

The former USC Heisman Trophy winner and current Arizona Cardinal quarterback found himself in the news that week—he was caught by police cameras speeding multiple times in Phoenix. He showed up in a Lamborghini at the Voit event.

Industrial Sale

ING Clarion Partners LLC of New York has paid \$39.5 million, or about \$97 per square foot, for a Fullerton warehouse facility leased by Q-Run Technology Co.

ING Clarion said the deal was done by a separate division it manages.

Darla Longo, Steve Batcheller, Barbara Emmons and Paul Jones of **CB Richard Ellis Group Inc.** represented the seller, Invesco.

The warehouse is at 458 E. Lambert Road, and totals 406,261 square feet. The facility is on more than 18 acres of land.

Fullerton-based Q-Run, a division of Hon-Hai Precision Industry Co., makes desktop computers and gaming consoles for PC vendors. Its headquarters is next to the warehouse. The company does about \$560 million in yearly revenue, according to reports.

It'll need to keep revenue up. The current rent Q-Run pays is substantially under market, providing significant upside when the lease expires, ING Clarion officials said.

New Hire

Grubb & Ellis Co.'s Newport Beach office hired Kenneth Di Scipio as its managing director for corporate services.

Di Scipio will oversee the company's corporate services activities throughout Southern California. He reports to Dylan Taylor, the company's regional managing director.

Di Scipio has more than a dozen years of corporate real estate services management experience. Previously, he founded Di Scipio & Associates, a real estate and beverage marketing consulting company. From 1992 to 2004, he held a variety of corporate services and management positions at CB Richard Ellis.



REAL ESTATE
Mark Mueller

RESIDENTIAL

There's been a change at the top of one of the county's largest woman-owned real estate businesses, Aliso Viejo-based property manager **Merit Cos.**

Toronto-based FirstService Corp. this month bought an 80% stake in Merit. Terms of the deal weren't disclosed.

Merit manages masterplanned communities throughout California.

The company contracts with more than 240 community associations, representing close to 130,000 homes.

Melinda Masson, Merit's founder and chief executive, will keep the balance of the company's equity. She's also set to continue han-

dling day-to-day operations while joining the FirstService management team, the company said.

Merit was ranked No. 17 on last year's Business Journal list of largest women-owned businesses.

It was the highest-ranked real estate company on the list. During the past year, Merit posted more than \$35 million in revenue.

The company has nine offices throughout California, and employs about 430 workers, including 230 locally as of last year.

FirstService is a diversified property services company with \$1 billion in annual revenue.

Its holdings include commercial real estate firm Collier's International.

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