

The Apartment Report™

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SOUTHERN CALIFORNIA CONTINUES TO ATTRACT DEVELOPERS, INVESTORS

Southern California continues to be one of the nation's preferred multifamily markets. **Essex Property Trust, Bascom Group, Eagle Real Estate Group, Granite Investment and Western National Properties** are just a handful of investors who are competing for a piece of the pie. The escalating prices of recent deals reflect the competitive climate.

Eagle Real Estate Group, with expertise in tax-exempt bond financing and rehab projects, closed two deals late last month. Both transactions were financed using tax-exempt bonds and requiring that 20% of the properties be set aside for low-income families.

Eagle paid approximately \$54 million, or \$122,727 per unit, to **Simpson Housing Solutions LLC** for 440-unit **Teresina at Lomas Verdes** in the San Diego County market of Chula Vista. The price includes \$1 million in future upgrades. The 2000-built property is the only rental complex within the **Lomas Verdes** master-planned community, which is being developed by **McMillin Companies**. It features one- to three-bedroom units ranging from 726 to 1,167 s.f.

Eagle also picks up 402-unit **Nova Bayport** in the Orange County submarket of Garden Grove for \$38 million, or \$94,527 per unit. The 10.6-acre property is close to the Disneyland Resort, Crystal Cathedral and the Block at Orange shopping/entertainment center. It consists of 11 three-story buildings, a 585-space parking structure and Class-A amenities. The seller was **Klein Financial**.