



## COMMERCIAL REAL ESTATE MARKET UPDATE

### GENERAL

#### 市場概括

- [L.A. Port Sees Strong April Activity](#)

四月洛杉磯港口吞吐量猛增，超歷史同期

Both imports and exports grew by double digits to give the port its biggest April ever. More than 707,000 containers moved through the port, up from 617,000 last year.

- [Port of Long Beach Begins \\$1.2B Redevelopment Project](#)

長灘港口耗資 12 億美元的開發項目啟動

\$1.2 billion project that will connect and upgrade two old shipping terminals and transform California's Port of Long Beach into a "port of the future" held a groundbreaking ceremony on Monday. The Middle Harbor Redevelopment Project, which is projected to take 10 years to finish, aims to increase cargo capacity, allow larger ships and reduce pollution.

- [Regency Centers Sells California Retail Property](#)

Regency Centers以 620 萬美元的價格售出位於 San Pedro 近 20 萬平方公尺的 Park Plaza

Regency Centers has sold the 199,666-square-foot Park Plaza in San Pedro, Calif., for \$62 million. They saw an opportunity to take advantage of positive market momentum and lack of quality retail investment offerings by disposing of a well-positioned, prominently anchored asset in a core infill market. A First Washington Realty affiliate was the winning bidder out of 20 firms that sought to acquire the retail center.

- [Gardena Shopping Center Sells for \\$8.3 Million](#)

Gardena 購物商場以近 830 萬元的價格被售出

Redondo Garp LLC acquired a shopping center in Gardena, CA, anchored by Smart & Final for nearly \$8.28 million or \$296 per square foot.

- [Foreclosure Activity Declines Hurting Investors](#)

法拍屋買賣活動減少，影響投資者收益

April 2012 Foreclosure Starts declined across our coverage area wiping out the small gains in new foreclosure filings last month. In California, Notice of Default filings are down 69.8 percent from the peak in March 2009, and 15.8 percent from April 2011.




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## RETAIL

購物商場

- [Wal-Mart Thinks Small For Urban Minimart Concept](#)

大型連鎖超市Wal-Mart欲推廣小型便利店規模店面但困難重重

Wal-Mart is feeling some growing pains in its effort to scale down for its fledgling Wal-Mart Express concept, analysts say. Thinking small may be the trickiest part, as the retailer works to customize its supercenter assortments and pricing for the smaller footprint.

- [Growth Diagnosis Differs for Largest Drugstore Chains](#)

三大藥店Rite Aid、Walgreens、和CVS 的擴張步伐各不相同

The nation's three largest retail pharmacy chains Rite Aid, Walgreens, and CVS continue to diverge on their real estate expansion plans.

- [More Play Areas Popping Up As Malls Look To Boost Family-Friendly Appeal](#)

購物商場增設兒童遊樂區吸引家庭購物客流以對抗網路購物的影響

Children's play areas are an increasingly common sight in many shopping malls as mall owners strive to compete against Internet retailers. Leading play area supplier Playtime Inc. says it built 65 new projects in 2011, and the industry estimates it will post \$12 million in sales of play areas this year.

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## MULTIFAMILY

公寓樓

- [Multifamily, Retail Properties Still Make Up Bulk of New CMBS Deals](#)

公寓樓和購物商場仍佔據大量商業抵押貸款證券交易

The commercial mortgage-backed securities market is favoring multifamily and retail offerings at the moment. Goldman Sachs and Deutsche Bank are readying two retail CMBS deals for the market. Appetite for Freddie Mac securities is also strong, with the GSE bringing a \$1 billion multifamily-backed offering to market.

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## INDUSTRIAL

工業倉庫

- [Amazon to Add New Distribution Centers In California](#)

電子商務網站亞馬遜在加州大量加建倉庫

Amazon.com, is accounting for a significant share of all new warehouse construction in the U.S., will occupy new fulfillment centers in San Bernardino and Patterson, CA totaling 2 million square feet.

- [California's Nonresidential Construction lifted by New Retail Stores](#)

今年第一季度加州商業地產建造受新建購物商場推動價值提升近二成



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The Construction Industry Research Board released figures for March nonresidential construction activity. For the first three months of 2012, the value of total nonresidential construction in California was up by 18.9% to \$3.349 billion from the same period in 2011.

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## FINANCING

貸款與資金

- [Consumer Money Rates \(Mortgage Rate, Prime Rate, etc.\)](#)

消費者市場利率：房貸、基本利率、等等



## L.A. Port Sees Strong April Activity

四月洛杉磯港口吞吐量猛增，超歷史同期

By JAMES RUFUS KOREN(Los Angeles Business Journal)

April saw a boom in cargo traffic at the Port of Los Angeles, with nearly 15 percent more goods passing through than the same month a year ago.

Both imports and exports grew by double digits to give the port its biggest April ever. More than 707,000 containers moved through the port, up from 617,000 last year.

Port officials consider anything more than 700,000 containers a good month, and port spokesman Phillip Sanfield said the numbers bode well for the rest of the year. Last month was just the eighth time in the last three and a half years that the port hit 700,000 containers, and it was the first time that the port hit that number in April. Those kind of numbers usually don't come until the peak late-summer shipping season.

"It's a really strong showing," Sanfield said. "It seems like there's more consumer spending and retailers are stocking up to try to connect with that."

Imports were up 17 percent to 364,555 containers and exports were up 12 percent to 186,838. But just as important, Sanfield said, is that the number of empty containers leaving the port was up 13 percent, a sign that shipping companies anticipate a flood of cargo over the summer.

"Our business development staff sees this as a really good sign," Sanfield said. "A big spike in empties indicates the shippers are repositioning the containers for a return-to-school season. It could be this is an indication that the retailers are looking at a better year."



## Port of Long Beach Begins \$1.2B Redevelopment Project

長灘港口耗資 12 億美元的開發項目啓動

Source: CBS Los Angeles

LONG BEACH (CBS) — Groundbreaking began Monday on a \$1.2 billion project at the Port of Long Beach.

The Middle Harbor Redevelopment Project will combine two outdated container terminals and create as many as 14,000 permanent jobs.

“Infrastructure has to be updated; we have to give good value to customers otherwise they’ll pick other gateways,” Port of Long Beach Executive Director Chris Lytle told CBS2.

Orient Overseas container line and the port have signed a \$4.6 billion, 40-year lease for the new 305-acre Middle Harbor terminal, which will be able to house the world’s largest ships.

Eventually, the port will be able to accommodate vessels the length of three football fields, which is expected to double the amount of cargo. Officials say twice the amount of containers that pass through the port could double the amount of trucks, drivers and warehouse employees.

The project, which is expected to take 10 years to complete, is also designed to cut pollution in half.



## Regency Centers Sells California Retail Property

### Regency Centers 以 620 億元的價格售出位於 San Pedro 近 20 萬平方公尺的 Park Plaza

By Natalie Dolce (GlobSt.com)

SAN PEDRO, CA-An affiliate of First Washington Realty Inc. was one of more than 20 bids that were received on the 199,666-square-foot Park Plaza shopping center here. The firm, a private real estate investment, management and advisory firm, ended up being the winning bid and purchased the property from an entity of Regency Centers Corp., a publically traded REIT, for \$62 million.

Bill Bauman, executive vice president, and Kyle Miller, managing director, of Studley's national retail services group, represented the seller in the transaction. "The seller saw an opportunity to take advantage of positive market momentum and lack of quality retail investment offerings by disposing of a well-positioned, prominently anchored asset in a core infill market," Bauman says. According to Bauman, the amount of bids that were received on the property reflects its history of "strong tenant sales performance and stable rental growth."

The center is 95.13% leased. Prominent tenants include CVS, Ross, Sprouts, PetCo, Office Depot, McDonald's, Chipotle, Bank of America and Chase.

First Washington, through its affiliates, owns or is a partner in 16 additional properties in California and is aggressively pursuing multiple opportunities in Southern California, according to a prepared statement.

"First Washington was able to successfully navigate the competitive bidding process by presenting a clear, well thought out offer and demonstrating the ability to perform within a compelling due diligence timeframe," Studley's Miller explains. The buyer is planning to immediately invest in capital upgrades to "further enhance the center and attract additional national tenants to the property," he adds.

Park Plaza, 800 N. Western Ave., is a community retail center situated on a 13-acre land parcel in the highly visible and highly trafficked Western Avenue corridor, according to a prepared statement. The primary north/south arterial of the Palos Verdes Peninsula boasts a household income of over \$106,000 per residence within a one-mile radius, and +/- 161,115 residents within three miles, the statement says.

The shopping center was originally developed in 1962. The Regency Centers entity, Columbia Park Plaza LLC, acquired the property in 2001.



**STC**

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## **Gardena Shopping Center Sells for \$8.3 Million**

**Gardena 購物商場以近 830 萬元的價格被售出**

By David Munz (CoStar)

Redondo Garp LLC acquired a shopping center in Gardena, CA, anchored by Smart & Final for nearly \$8.28 million or \$296 per square foot. RK Gardena LLC was the seller.

The property consists of two buildings with a total of 27,966 square feet. They were completed in 2002 and were 100 percent occupied at time of sale. The complex includes approximately 149 parking spaces.

Adam Friedlander and Joseph Linkogle of Marcus & Millichap represented the seller and the buyer.



### California Foreclosures

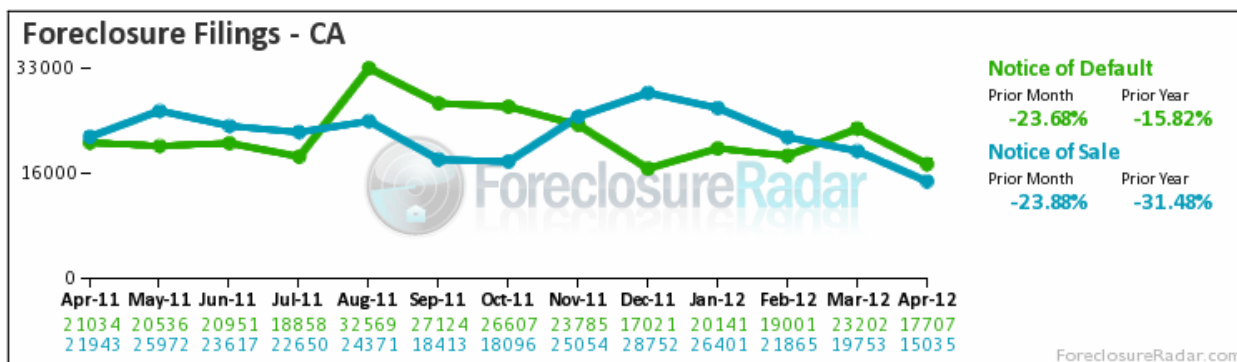
法拍屋買賣活動減少，影響投資者收益

Source: ForeclosureRadar

April 2012 Foreclosure Starts declined across our coverage area wiping out the small gains in new foreclosure filings last month. In California, Notice of Default filings are down 69.8 percent from the peak in March 2009, and 15.8 percent from April 2011. Notice of Trustee Sale Filings, the start of Arizona's foreclosure process, are down 59.4 percent from the peak in March 2009, and down 8.0 percent year-over-year.

Foreclosure Sales also declined, however, foreclosure investors purchased a record percentage of the limited inventory that was actually sold. Nevada investors purchased more than 50 percent of foreclosure sales for the first time at 50.7 percent. Arizona followed with 44.6 percent and California at 41.3 percent. The low number of sales, combined with record percent purchased on the courthouse steps left very little to become Bank Owned (REO). This further depletes the inventory of Bank Owned homes as REO sales continue to outpace the addition of new inventory.

Despite investors purchasing a higher percentage of foreclosure sales, margins have rapidly declined in recent months. In both Arizona and Nevada winning bids on the courthouse steps on average equal the current estimated value of those properties. In California the discount between market value and winning bid have on average declined to 12.3 percent. This leaves investors who intend to resell their purchases with record low profits after eviction, repairs, and closing costs.







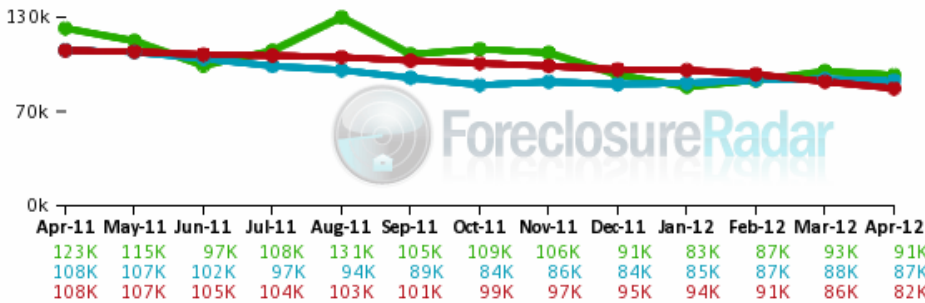
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**Foreclosure Inventories - CA**



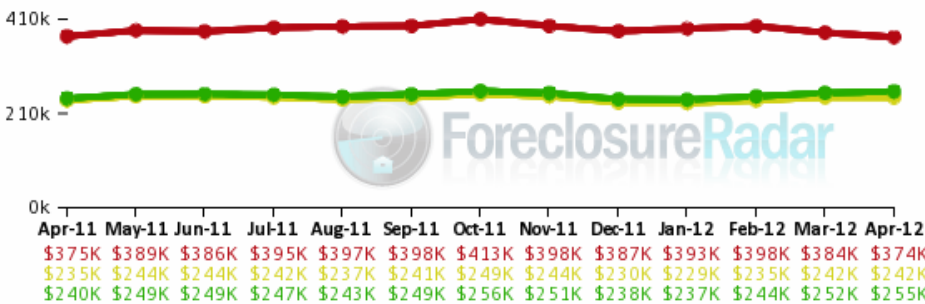
**Preforeclosure**  
Prior Month: -2.74%  
Prior Year: -26.33%

**Scheduled for Sale**  
Prior Month: -1.24%  
Prior Year: -19.68%

**Bank Owned (REO)**  
Prior Month: -5.46%  
Prior Year: -24.47%

ForeclosureRadar.com

**Foreclosure Bids - CA**



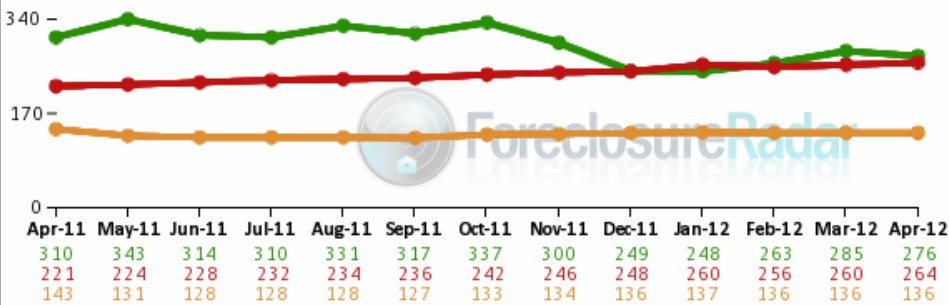
**Published Bid**  
Prior Month: -2.56%  
Prior Year: -0.41%

**Opening Bid**  
Prior Month: -0.10%  
Prior Year: 2.66%

**Winning Bid**  
Prior Month: 1.27%  
Prior Year: 6.34%

ForeclosureRadar.com

**Foreclosure Timeframes - CA**



**Time to Foreclose**  
Prior Month: -3.16%  
Prior Year: -10.97%

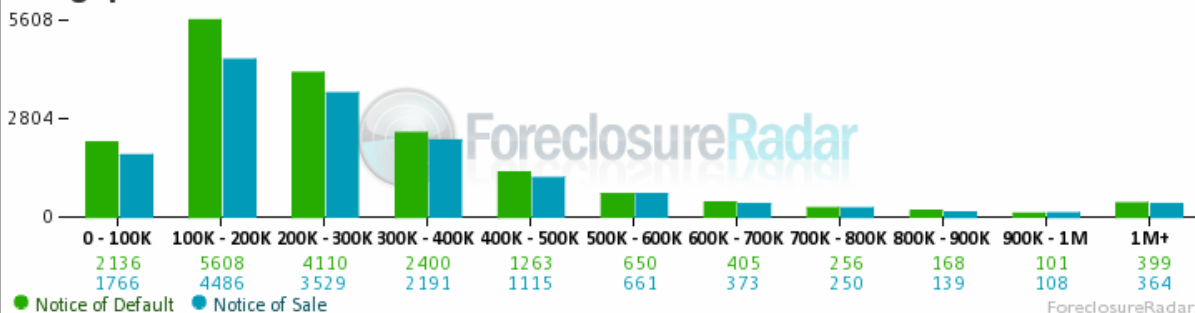
**Time to Resell - Bank**  
Prior Month: 1.54%  
Prior Year: 19.46%

**Time to Resell - 3rd**  
Prior Month: 0.00%  
Prior Year: -4.90%

ForeclosureRadar.com

**Filings per Estimated Market Value - CA**

Apr 2012



ForeclosureRadar.com



## Wal-Mart Thinks Small For Urban Minimart Concept

大型連鎖超市 **Wal-Mart** 欲推廣小型便利店規模店面但困難重重

By SHELLY BANJO (Wall Street Journal)

No SUV-driving American shopper would be surprised to find 20 lb. sacks of dog chow at a Wal-Mart supercenter. But at an urban minimart that is trying to attract bag-toting pedestrians? Not so much

Unless that minimart is operated by Wal-Mart Stores Inc. The Bentonville, Ark., retailer is betting that small urban stores called Walmart Express could eventually help jump-start its growth in the U.S. and fight off competition from rapidly expanding dollar-store chains.

The heavy bags of Ol' Roy dog food suggest Wal-Mart is struggling to think outside the supercenters that remain its focus, analysts say. The world's largest retailer has rolled out fewer than a dozen Wal-Mart Express locations since it launched the first 15,000 square-foot store a year ago, and experts say its effort to offer supercenter pricing and assortment in small, high-cost spaces is putting pressure on the minimarts' profitability.

Wal-Mart declined to comment ahead of its quarterly earnings report on Thursday. But in a March analysts' conference, finance chief Charles Holley said the company didn't have enough results to open thousands of small-format stores. The venture, he emphasized, was still "a pilot."

He described the company as moving slowly on purpose, citing a similar, 13-year effort to make its Neighborhood Markets profitable; the company has opened 199 of the grocery stores since 1998 and plans to open 80 this year. Analysts polled by Thomson Reuters project a fiscal first-quarter profit of \$1.04 a share on revenue of \$110.5 billion; a year earlier, Wal-Mart reported earnings of 97 cents and \$104 billion of revenue. The company's stores open at least a year are expected to report a third-consecutive quarter of modest growth.

Double-digit sales gains overseas have been a big driver of results in recent years. Investors are eager to see Wal-Mart develop a strategy for accelerating its U.S. growth.

Wal-Mart's competitors are going smaller in a big way. The three largest dollar-store chains, Dollar General Corp., Family Dollar Stores Inc. and Dollar Tree Inc., opened nearly 2,000 locations in the last year. This summer, Target Corp. will open three new "City Target" stores in Chicago, Seattle and Los Angeles. Wal-Mart has had success with its small-store formats outside the U.S. in countries including the United Kingdom and Brazil.

The company wants to do the same in the U.S. At Wal-Mart's annual meeting last June, U.S. stores chief Bill Simon said he would like the Express Stores "to deliver the same experience that a supercenter can deliver, only in 15,000 square feet."



Problem is Wal-Mart has taken that statement quite literally, said Leon Nicholas of the consulting firm Kantar Retail.

"Wal-Mart can't pull itself away from a supercenter mind-set," he said. "Just look at the shelves. It is just absurd to see a dozen kinds of jelly or peanut butter when a shopper just wants to get in and out of the store quickly."

Prices of items such as Skippy peanut butter and Kellogg's cornflakes at a Wal-Mart Express store near Fayetteville, Ark. were identical to those at a nearby Wal-Mart supercenter, according to a recent Kantar study. The same buyers select goods for the Express stores as the supercenters.

Some customers like it. Rhonda Wright, 43, filled a plastic basket with items including cocoa butter skin lotion at a Wal-Mart Express in Chicago last week. A bank teller who lives about 15 minutes from the store, Ms. Wright said found it quicker "and a little easier to find things" than at a supercenter.

Some analysts question why Wal-Mart isn't moving faster and why it has added or remodeled more than 120 supercenters last fiscal year, while other big-box retailers, including Best Buy Co., Staples Inc. and Barnes & Noble Inc. shutter dozens of stores.

"Wal-Mart is the only retailer out there continuing to open up big box stores, which leads me to think they're not paying enough attention to what the consumer needs," said Charles Grom, an analyst at Deutsche Bank who has a sell rating on Wal-Mart. "Eleven Express stores is a drop in the bucket."



## Growth Diagnosis Differs for Largest Drugstore Chains

三大藥店 Rite Aid、Walgreens、和 CVS 的擴張步伐各不相同

By Mark Heschmeyer(CoStar)

The nation's three largest retail pharmacy chains continue to diverge on their real estate expansion plans.

Rite Aid Corp., which has consolidated dramatically since the onslaught of the Great Recession, has recently slowed the pace of closures and believes it now may even have an opening to regain some marketshare.

Walgreen Co., which had slowed annual growth from 4%-5% to 2%-3%, this year is slowly starting to ramp up growth again. However, it is currently involved in a major spat with one of the largest pharmacy benefit management companies in North America, and has seen its prescription business slip as a result.

Meanwhile CVS Caremark Corp., a close second in store count behind Walgreens, keeps rolling out more stores each year and has no plans to change its aggressive growth Strategy any time soon.



## More Play Areas Popping Up As Malls Look To Boost Family-Friendly Appeal

購物商場增設兒童遊樂區吸引家庭購物客流以對抗網路購物的影響

By KRIS HUDSON(Wall Street Journal)

Katie Poch visits the Cherry Creek Shopping Center in Denver more than once a month, but not for the Neiman Marcus, Juicy Couture and Burberry stores. It's Tweety Bird and Porky Pig that draw her.

The Denver woman, a part-time research assistant, brings her daughters, 2 and 4 years old, to the mall to let them romp in its 1,130-square-foot play area filled with Looney Tunes characters. "I come to this mall more than any other mall because I know that if we need a break, there is a spot for the kids," says Ms. Poch, who also does a little shopping while she's there.

The once-humble play area is one of shopping malls' new secret weapons. In their bid to keep shoppers from deserting to the Internet, more malls are adding restaurants and services like hair salons and fitness clubs that provide things that the Internet can't. New play areas can create lively public spaces while keeping a key constituent—parents—happy.

Most malls are grappling with encroachment from online shopping and competition created by decades of retail overbuilding. As a result, malls "no longer can afford to be just landlords," said Paco Underhill, founder and CEO of Envirosell Inc., which consults for mall owners and retailers. "They have to be place makers," he says, referring to "the little something extra that gets someone to drive past another mall to come to yours."

That is why sprawling play areas averaging 900 to 1,200 square feet— with some topping 2,000 square feet— have been popping up in malls' center courts. Playtime Inc., the leading supplier of play areas to malls, installed 65 new shopping-center projects last year, with major upgrades to an additional 18. Sales of play areas to malls have grown from less than \$500,000 in 2000 to an estimated \$12 million this year, industry participants say.

Playtime's soft climbing structures are frequently crafted as Sesame Street characters, Garfield the cat or Bugs Bunny. A few have proximity sensors that trigger sounds when kids get close, such as carrot-chomping sounds from Bugs, creaks from a foam bridge or twangs from a guitar.

Some mall owners, such as Westfield Group, are experimenting with play areas for older children. At its Galleria at Roseville mall in Roseville, Calif., Westfield is testing out a play area stocked with puzzles, touch-screen games and Jenga-style games tailored to 6- to 10-year-olds no longer content to run or climb. Westfield aims to expand the program to five or six malls in the next year.

Keeping mom and dad in mind, mall owners like Simon Property Group Inc. provide charging stations and Wi-Fi at many play areas. Most place merchants strategically around play areas to boost sales. For example, the Cherry Creek play area is surrounded by a Wetzels Pretzels, a Doc Popcorn, a frozen-yogurt shop and Macy's Inc., with its cosmetics counters front and center.



Setups from Playtime run from \$50,000 to \$500,000. But malls often recruit local sponsors, which display their logos around the play area and sometimes consult on its design. Organic-yogurt producer Stonyfield Farm Inc. sponsored a play area designed as a farm at Simon's Mall of New Hampshire in Manchester, N.H. At Cherry Creek, a Taubman Centers Inc. mall, the play area is sponsored by Rocky Mountain Hospital for Children. To promote a healthy lifestyle, it includes Looney Tunes characters rafting, backpacking and, in the case of Daffy Duck, hanging from a rescue helicopter on the mall's ceiling. "The hospitals have the most local interest in reaching families," said Glenda Cole, Taubman's vice president of sponsorship and mall marketing.

Indoor play spaces raise anxieties for some parents. They sometimes have a dreary image as spaces that keep children inside. And some parents cringe at the commercialism of the mall backdrop, which, for many, can lead to pleas of "Will you buy me that?"

"When I was a new mom, I was a little concerned because I thought it was a germfest," says Jill Vived, a 37-year-old mother of a 3-year-old daughter playing at the Cherry Creek mall. "But if they go to preschool, there are also germs." To combat the "germnasium" image of some indoor play areas, many large mall owners say they clean their play areas three times a day—twice during operating hours and once after hours.

Mall play areas generally don't have full-time attendants, leaving parents to police the playing. "Some parents think this is a drop-off daycare where they can sit here and (barely) watch their kids," says Ms. Poch, adding that most kids do obey when asked to calm down. To address safety concerns, the play areas are usually surrounded by a 4-foot-high wall, with foam-padded floors and only one exit. And mall owners strive to locate the play areas far from exits or escalators to minimize any risk of child abduction.

The cushy new play areas are a far cry from the simple, coin-operated rides and puzzle tables parked in distant wings of older malls. For decades, fountains were the belles of the mall, occupying the center courts. But by the 1980s, mall owners saw fountains as costly features that did little to draw customers. Since then, they have experimented with placing lounge areas, art and performance spaces at center court.

In 1998, a Taubman architect saw Playtime's foam structures at Walt Disney Co.'s Blizzard Beach Water Park in Orlando, Fla., and Taubman asked the company to make something similar for its malls. Now, Playtime, based in the Denver suburb of Englewood, Colo., has produced play areas for roughly 650 U.S. shopping centers, as well as play areas for fitness clubs, restaurants, children's hospitals and amusement parks.

Playtime's systems typically take 12 to 16 weeks to build. Each piece starts with a flat wooden base and a core of hand-sculpted Styrofoam. Artists encase the structure in a quarter inch of fiberglass. Over that, they attach a half-inch layer of foam to give the structure some yield for little climbers. "You have to have artists at every stage to make it look real," Playtime Chief Executive Mike Evans said. Technicians called "goopers" spray on a quarter-inch layer of rubber, providing more softness and pliability. The structures are then coated with paint and a urethane that keeps liquids and bacteria from penetrating them and allows for easy cleaning.

Playtime and its customers keep the structures short, rarely allowing them to exceed 48 inches in height; Playtime technicians use probes the size of a child's hand, fingers and head to check for "pinch points."

Play structures come in many forms—even that of a 46-foot humpback whale. In November, mall owner Macerich Co. introduced the Samo's Clubhouse play area at its newly redeveloped Santa Monica Place mall,



just a few blocks from the beach in Santa Monica, Calif. The expansive play area, built by RipBang Studios, features a whale made of steel, wood decking and rope netting. It includes slides, a balance beam, telescopes and periscopes.

At a food-court table close by, in early May, Pacific Palisades resident Michelle Lande had soft pretzels she had bought for her three children to eat when they emerged from the play area. "We will come back," she said, "because I can read a book while they play."



## Multifamily, Retail Properties Still Make Up Bulk of New CMBS Deals

公寓樓和購物商場仍佔據大量商業抵押貸款證券交易

By Mark Heschmeyer (CoStar)

Two new commercial mortgage backed deals being prepped by Goldman Sachs and Deutsche Bank are heavily weighted towards mortgages for retail properties, while Freddie Mac is out shopping its sixth \$1 billion multifamily securities offering this year.

Freddie Mac hit the streets this past week with a new offering of multifamily mortgage-backed securities. The company is offering approximately \$1 billion in K Certificates (K-018 Certificates).

The K-018 Certificates will be offered to the market by a syndicate led by J.P. Morgan Securities LLC and Wells Fargo Securities LLC as co-lead managers and joint bookrunners.

The K-018 Certificates are backed by 75 recently-originated multifamily mortgages secured by 79 properties.

The transaction has a Fitch stressed debt service coverage ratio (DSCR) of 1.13 times (x), a Fitch stressed loan-to value (LTV) of 101.5%, and a Fitch debt yield of 8.3%.

The master and special servicer will be KeyCorp Real Estate Capital Markets Inc. and Wells Fargo Bank respectively.

Twenty-nine loans, comprising 49.6% of the pool, have an interest-only period or are full interest only.

The three largest loans are as follows.

Central Astoria Apartments, \$85.05 million, is a 100% rent-stabilized, 894-unit garden-style apartment complex in Astoria, Queens County, New York City. Since acquiring the property in 2001, the sponsor has invested \$9.5 million in capital improvements. The subject was 98.5% occupied as of year-end 2011.

Aldingbrooke Terraces-Townhomes, \$69.5 million, is a 667-unit garden-style apartment and townhome complex in West Bloomfield, MI. The property is improved with 78 two- and three-story apartment buildings and a single-story clubhouse. The sponsor developed the subject between 1980 and 2001 for approximately \$80 million and has invested more than \$8 million in capital improvements since. The loan refinanced existing debt. The subject was 91.6% occupied as of March.

Lofts 640, \$46 million, a 265-unit, high-rise apartment building in Philadelphia, PA. A former industrial warehouse built in 1913, the borrower purchased the property in 2004 for \$9 million and invested \$46,000,000 to convert the property to loft-style residential units. The property was 97.0% occupied as of year-end 2011.





Meanwhile, Goldman Sachs is putting together a deal currently involving 79 mortgages backing 175 properties. The loans total \$1.6 billion, which would make it one of the five largest deals to hit the streets since a new wave of deals following the recession.

The majority of the loans (60) were used to refinance existing properties.

Retail properties account for 75 of the 175 properties but only 25% or so of the outstanding loan balances.

The largest loan currently slated for the offering is for \$130 million backed by a 253,151-square-foot office building at 1155 F St. NW in Washington, DC. The property was 89% occupied as of February 2012 and its largest tenant is the law firm of Bryan Cave, which occupies 88,393 square feet.

The second largest loan would be for \$101 million backed by Columbia Business Center, a 2.3 million-square-foot industrial property in Vancouver, WA. The property was 92% occupied as of March and its largest tenant is Thompson Metal Fab Inc., which occupies 717,762 square feet.

The third largest loan would be for \$94.5 million backed by Bellis Fair Mall, a 538,226-square-foot mall in Bellingham, WA. The property was 99.5% occupied as of March. Anchor tenants include: Macy's, Sears, Target, Kohl's and JCPenney.

Also working on a new deal is Deutsche Bank Securities, which is putting together a deal currently involving 54 mortgages backing 83 properties. The loans total \$954 million.

Twenty-one of the loans totaling \$415 million back retail properties.

The three largest loans currently slated for the offering are as follows.

·\$120 million on Crossgates Mall, a 1.3 million-square-foot super regional mall in Albany, NY;

·\$6 million on RiverTown Crossings Mall, a 635,769-square-foot super regional mall in Grandville, MI; and

·\$55 million on Creekside Plaza, a 227,707-square-foot suburban office building in San Leandro, CA.



## Amazon to Add New Distribution Centers In California

電子商務網站亞馬遜在加州大量加建倉庫

By Randyl Drummer (CoStar)

Amazon.com, already accounting for a significant share of all new warehouse construction in the U.S., will occupy new fulfillment centers in San Bernardino and Patterson, CA totaling 2 million square feet.

Hillwood and Clarion Partners announced that Amazon will occupy a facility of more than 950,000 square foot under development as part of the AllianceCalifornia project in San Bernardino, CA. The joint venture began construction on the facility earlier this year and the massive Internet retailer is expected to take occupancy as early as this fall.

"We've been planning to develop this property for some time, and we're thrilled that Amazon will be moving in after the facility is completed," said John Magness, senior vice president of Hillwood and leader of its Inland Empire office. The facility will create more than 1,000 jobs.

Hillwood will serve as the developer and the joint venture will serve as the landlord for the facility on Central Avenue east of Tippecanoe Avenue.

Meanwhile, USAA Real Estate Co. will develop a fulfillment center of about 1 million square feet in Patterson, a city along Interstate 5 in the Modesto metro area. Amazon will not take occupancy of the facility until second quarter 2013.

Amazon will create "hundreds of full time jobs with benefits" in Patterson when the facility begins shipping to customers in 2013, said Dave Clark, Amazon vice president, global customer fulfillment.

Both the Hillwood/Clarion JV and USAA will serve as developers and landlords for the projects, leasing the respective buildings to Golden State FC LLC, which will operate the fulfillment centers for Amazon.



## California's Nonresidential Construction lifted by New Retail Stores

今年第一季度加州商業地產建造受新建購物商場推動價值提升近二成

Source: Los Angeles County Economic Development Corporation

The Construction Industry Research Board released figures for March nonresidential construction activity. For the first three months of 2012, the value of total nonresidential construction in California was up by 18.9% to \$3.349 billion from the same period in 2011. Industrial construction permits decreased by 30.5% to \$139.2 million in value, office construction permits were up by 57.7% to \$149.5 million, and new retail construction permits increased by 139.1% to \$445.8 million.

In Los Angeles County, year-to-date total nonresidential permit values edged up from \$734.4 million in the first three months of 2011 to \$757.9 million in the first three months of 2012 (up by 3.2%). Construction in retail stores is gaining momentum, while industrial and office buildings cannot seem to get off the ground.

<u>Industrial</u>	<u>Retail</u>	<u>Office</u>
2011YTD: \$84.2 million	2011YTD: \$51.1 million	2011YTD: \$16.7 million
2012YTD: \$40.8 million	2012YTD: \$80.8 million	2012YTD: \$5.5 million
% Change: -51.5%	% Change: +58.1%	% Change: -66.8%

Nonresidential permit values in Orange County were nearly even for the first three months of the year. A decline of 1.7% from \$279.3 million to \$274.6 million is attributed to a steep decline in alterations and additions (down by 14.3%). Construction of new industrial, retail, and office buildings have so far outperformed the first three months of 2011.

<u>Industrial</u>	<u>Retail</u>	<u>Office</u>
2011YTD: n/a*	2011YTD: \$18.0 million	2011YTD: \$1.3 million
2012YTD: \$8.4 million	2012YTD: \$31.1 million	2012YTD: \$4.3 million
% Change: n/a	% Change: +73.0%	% Change: +231.5%

\*Orange County industrial permits totaled \$10.3 million from January to December of 2011.

The Inland Empire has had a major boost in nonresidential construction as permit values have increased from \$182.6 million in the first three months of the 2011 to \$356.4 million (up by 95.1%). Permits for new retail stores deserve most of the credit.

<u>Industrial</u>	<u>Retail</u>	<u>Office</u>
2011YTD: \$1.2 million	2011YTD: \$11.5 million	2011YTD: \$1.7 million
2012YTD: \$14.9 million	2012YTD: \$205.4 million	2012YTD: \$4.2 million
% Change: +1,182.0%**	% Change: +1,683.7%**	% Change: +137.5%**

\*\*With such large percentage changes, it is worth considering how the first three months of 2012 compared to pre-recession years. In the first three months of 2008, Inland Empire industrial permits totaled \$66.6 million, retail permits totaled \$163.7 million, and office permits totaled \$39.1 million.



Nonresidential permits in Ventura County increased from \$28.8 million in the first three months of 2011 to \$43.1 million (up by 49.5%) as industrial building and retail store permits have increased. San Diego County nonresidential permits contracted over the same time period from \$298.0 million to \$264.4 million (down by 11.3%).

Total nonresidential permits in the 9-County Bay Area increased from \$770.7 million in the first three months of 2011 to \$1.051 billion in 2012 (up by 18.9%). New office buildings, alterations, and additions in Santa Clara County provided much of the boost, with help from new retail stores in San Francisco County. Industrial buildings and retail store permits in the 9-county Bay Area are low for the year.

<u>Industrial</u>	<u>Retail</u>	<u>Office</u>
2011YTD: \$72.4 million	2011YTD: \$57.8 million	2011YTD: \$38.9 million
2012YTD: \$11.9 million	2012YTD: \$25.2 million	2012YTD: \$99.4 million
% Change: -83.6%	% Change: -56.4%	% Change: +155.7%

Nonresidential construction is measuring up!

Through March, California nonresidential permit values are ahead of the LAEDC forecast for 2012. Yet the bulk of nonresidential building permits are historically filed between May and August, so pay close attention as these results can signal a better than expected year for the local construction industry.

Source: <http://www.agentmac.com/website/index.php>



## Consumer Money Rates (Mortgage Rate, Prime Rate, etc.)

消費者市場利率：房貸、基本利率、等等

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Interest Rate	Yield/Rate (%)			52-Week			Change in PCT. PTS	
	Last	Wk Ago	High	Low	52-week	3-yr		
Federal-Funds rate target	0-0.25	0-0.25	0-0.25	0-0.25	-	0.00		
Prime rate*	3.25	3.25	3.25	3.25	-	0.00		
Libor, 3-month	0.47	0.47	0.58	0.25	0.20	-0.36		
Money market, annual yield	0.50	0.50	0.63	0.44	-0.12	-0.85		
Five-year CD, annual yield	1.39	1.39	1.98	1.30	-0.59	-1.40		
30-year mortgage, fixed	3.91	3.94	4.71	3.91	-0.74	-1.17		
15-year mortgage, fixed	3.20	3.17	3.94	3.17	-0.70	-1.54		
Jumbo mortgages, \$417,000-plus	4.49	4.50	5.25	4.49	-0.76	-2.20		
Five-year adj mortgage (ARM)	2.91	2.90	3.36	2.83	-0.32	-1.83		
New-car loan, 48-month	3.24	3.25	4.46	3.05	-0.70	-4.21		
Home-equity loan, \$30,000	4.67	4.67	5.07	4.65	-0.40	-1.02		