

NorCal Sports Apparel Company Leases Warehouse

Fox Head Signs for 15 Years on 81,600 SF in Irvine

Sports apparel company **Fox Head Inc.** is planning to nearly double its local operations after inking a lease for a vacant Irvine warehouse near the Tustin Legacy development.

The Northern California-based apparel designer and sponsor of motocross and other action sports teams recently signed a 15-year lease for 16752 Armstrong Ave., an 81,600-square-foot industrial building in the Irvine Business Complex.



16752 Armstrong Ave.: in Irvine Business Complex

It paid about \$6.3 million for a 73,541-square-foot building in Rancho Bernardo a few months ago.

Bixby has also been an active investor of late in the Silicon Valley, where it is spending close to \$56 million to buy and redevelop a few office projects in the region.

Property Assignments

Newport Beach-based **RiverRock Real Estate Group** is taking over property management duties for a big industrial portfolio in the Phoenix area, as well as a recently sold office tower in Irvine.

RiverRock, a real estate management and

Fox Head, which has had a local office since 2003, had been operating out of a 42,000-

square-foot building a few blocks away on Alton Parkway, on a five-year, \$3 million lease that's slated to end near the end of this year.

The 6.4-acre Armstrong Avenue property also has a new owner. It was bought earlier this month in an off-market transaction for \$7.5 million, or about \$92 per square foot.

The buyers were a venture between **Shubin Nadal Associates LLC** of Newport Beach and Hartford, Conn.-based **Penwood Real Estate Investment Management LLC**.

At the time of the sale the new owners signed on Fox Head to lease the entire building, which is set to undergo a big renovation over the course of the year.

The rehab will turn the warehouse into a corporate facility that includes "creative office interior design," electric vehicle charging stations in the parking lot, and a 1.5-acre park for

employees, among other features, according to Shubin Nadal.

The office will hold Fox Head's Southern California design and sales operations once the company relocates, which is expected to happen next January.

Terms of the new lease weren't disclosed.

Shubin Nadal Associates is a partnership between Irvine-based apartment investor **Bascom Group LLC** and Newport Beach's **Shubin Nadal Realty Investors LLC**, which acts as the managing partner for the venture.

Bill Shubin and Lonnie Nadal founded their company about two years ago. They said they're eyeing other value-add deals in Southern California, in partnership with institutional partners like Penwood.

Grubb & Ellis Co.'s Scott Read represented Shubin Nadal Associates and Penwood for both the purchase and the lease to Fox Head. Fox Head was represented by Steven Card of **Travers Realty**.

Bixby's Buy

Irvine-based **Bixby Land Co.** has snapped up another big business park in San Diego

County.

The real estate operator and investment manager last month closed on the purchase of Palomar Oaks Technology Park, a 170,915-square-foot R&D and office property in Carlsbad.

The six-building complex traded hands for \$15.8 million, or about \$93 per square foot. Los Angeles-based **Arden Realty Limited Partnership** was the seller of the complex, which includes five R&D buildings totaling 124,378 square feet and one three-story office with 46,537 square feet.

Arden bought the property in mid-2007, as part of a larger, \$2.1 billion portfolio buy from **Blackstone Group**, according to local reports.

Palomar Oaks was about 58% leased at the time of the sale.

Bixby plans to put another \$3 million into the property, to upgrade the exterior of the buildings, improve tenant suites and rebrand the site.

It's the second investment in the San Diego market in the past three months for Bixby, which now owns a total of 14 industrial, R&D and office properties in the San Diego area.

leasing firm, said it has been selected by Irving, Texas-based **Cobalt Capital Partners** to provide property management services to nine of the company's light industrial buildings in the Phoenix area.

The properties total about 800,000 square feet and make up a bulk of the private real estate equity firm's holdings in Arizona.


The Cobalt assignment brings RiverRock's property management portfolio to more than 4 million square feet under management in Arizona, and about 21 million square feet in total.

Locally RiverRock last month was given the property management assignment for the recently sold **2050 Main Street** office tower in Irvine.

Boston-based institutional investor **AEW Global** paid about \$108.5 million for the 314,000-square-foot 2050 Main St. building in early December, in the priciest office sale seen in Orange County last year.



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