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Bixby Spends \$58M on Industrial Buildings

REAL ESTATE: Buys in Mira Loma, La Mirada, Vegas area



Mira Loma building: part of \$58 million in buys

By [Mark Mueller](#)

Irvine's Bixby Land Co. has bought four fully leased industrial properties in Southern California and Nevada for \$58 million.

The properties, totaling about 850,000 square feet, are the largest buys that the privately held real estate investor's made in nearly three years.

The deals are a sign of an improving industrial real estate market, as well as increased confidence from investors looking to buy commercial real estate, Bixby Chief Executive Bill Halford said.

"Obviously, the investment world has gone quiet since 2007," he said. "Now, we're starting to see investors come back to the market in a meaningful way."

The largest of Bixby's four buys was in Riverside County, where the company bought the Empire Business Center in Mira Loma.

The five-building, 393,000-square-foot industrial park sold for \$29.5 million, or about \$75 per square foot. It's the most expensive building Bixby's bought since 2008.

The park is fully leased and counts several big tenants, including Sprint Nextel Corp., Owens Corning and Eaton Corp.

Boston-based TA Associates Realty was the seller.

The second-largest property bought was in La Mirada. Bixby paid \$10.6 million, or about \$99 per square

foot, for a 107,000-square-foot building previously owned by Irvine's LBA Realty.

The building is fully leased to Diversified Printers Inc. It was offered for sale by LBA at \$11 million and a capitalization rate—or initial return from rent—of 7%, according to brokerage materials.

Nevada Deals

Bixby's Buys

- Mira Loma: 393,000-square-foot industrial park for \$29.5 million
- La Mirada: 107,000-square-foot building for \$10.6 million
- Henderson, Nev.: 129,000-square-foot building for \$8.3 million
- Las Vegas: 220,000-square-foot building for \$9.8 million

In Nevada, Bixby picked up a pair of full industrial buildings.

In Henderson, it paid \$8.3 million for a 129,000-square-foot building leased to Levi Strauss & Co. In Las Vegas, it paid \$9.8 million for a 220,000-square-foot building that's leased to Moen Inc. Private investors sold both Nevada buildings.

Bixby used its own money for the buys. The company now owns 5 million square feet of space that is more than 95% full in its wholly owned portfolio.

Bixby also works with institutional investors to buy buildings with higher vacancies. It expects to start making more of what it calls value-add deals soon, particularly as more distressed buildings come up for sale, according to Halford.

"In the last six to nine months, there's been dramatic improvement in the market, both in terms of (availability of) debt and equity financing, as well as more properties coming back on to the market," he said. "Two years ago, none of those (properties) were available."

Recent Death

Bixby's recent acquisitions comes a little more than a week after one of the company's namesakes was among five people killed in a plane crash at Long Beach Airport.

Mark Bixby, a cousin of Halford's and a shareholder in Bixby Land, was among those in the March 16 crash that claimed the lives of several people with ties to local real estate.

Bruce Krall, a managing director with the Irvine office of Cohen Financial, also was among those killed, as were area developers Tom Dean and Jeff Berger, and pilot Kenneth Cruz.

The lone survivor of the crash was Mike Jensen, president of Long Beach-based real estate company Pacific Retail Partners, where Mark Bixby also worked.