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Realm buys foreclosed office building for \$13 M

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160 N. Riverview Dr.

ANAHEIM HILLS, CA-**Realm Real Estate LLC**, a joint venture of **Realm Real Estate** and the **Bascom Group**, has acquired the 75,000-square-foot Anaheim Hills Office Plaza at 160 N. Riverview Dr. for \$13 million in a foreclosure sale. The building was developed in 2008 and is 100% leased.

Darrin Olson, principal of Newport Beach-based Realm Group, explained the history of the project: "Although developed as a high-quality office property in the desirable Anaheim Hills submarket, the building suffered from the effects of the recession when it was delivered for occupancy and was subsequently foreclosed on by the lender." Olson called the acquisition "a compelling opportunity to acquire a new, fully occupied building at a substantial discount to replacement cost."

Realm acquired the property with financing arranged by Costa Mesa-based **Talonvest Capital Inc.**, according to Talonvest principal **Tom Sherlock**, who arranged the financing along with Talonvest's **Eric Snyder**. Sherlock said the approximately \$14 million total capitalization of JV equity and bridge financing was funded by an institutional joint venture equity investor and a middle market-focused commercial finance company that utilizes its own balance sheet to make non-recourse loans. "Sourcing, negotiating and closing the complete capital stack for this acquisition in only six weeks indicates the continued improvements in the capital markets," Sherlock noted.

The sale and leasing brokers in the deal are **Chris Migliori** and **Kara Guarienti** of **Daum Commercial Real Estate Services**.

Tenants at the office project include Raytheon, Premier Business Centers, Century 21 and Gateway One Lending and Finance. The property "has a strong tenant roster that will carry the asset through the market downturn, later allowing the company to capitalize on improving economics once the market fundamentals improve," Realm principal Olson said.