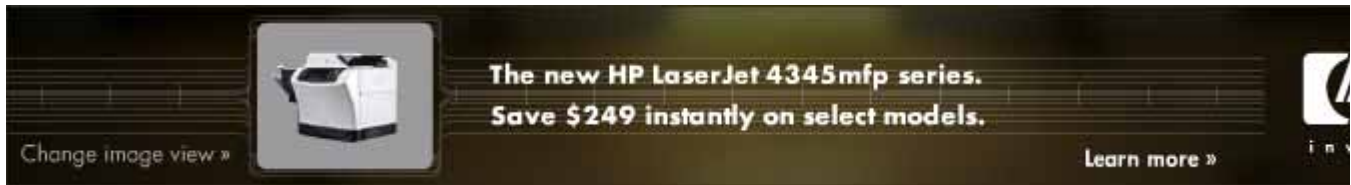


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## INDUSTRY WRAPUPS

From the June 10, 2005 print edition

### Real Estate

## Sellers look to cash in on bloom in South of Market investment

[Lizette Wilson](#)

A SoMa selling spree is under way, with longtime landowners banking on the biotech boom to boost their bottom lines.

[ClubCorp](#) is offloading the [San Francisco Tennis Club](#) at Fifth and Townsend streets. [SKS Investments](#), which owns a dozen projects in the area, is selling half of 350 Rhode Island St. and all of 501 Second St., while the San Francisco Flower Grower's Association recently posted a "for sale" sign at its Sixth and Brannan property known as the San Francisco Flower Mart.

The grower's association is selling its portion of the land and building, roughly one-third of the 240,000-square-foot structure. Along with parking, it stretches nearly the entire block to Fifth Street. The balance is owned by the [California Flower Market Inc.](#), a separate, but similar group that purchased the property and built the structure with its San Francisco counterpart and a now defunct Peninsula group back in the '50s.

At that time, flower growers banded together to create a place to do business and service local flower shops. Since then, one-time flower fields have been sold and redeveloped, the market has begun importing flowers from around the world and just a handful of the original owners remain as vendor tenants.

"The association is getting older and the stockholders decided they want to enjoy their money while they're still around," said Angelo Stegnaro Jr. whose family has been in the flower industry for three generations. "We've held onto the property for the principle of the thing. It was sentimental. We're still sentimental, but we're not crazy, either."

The site, zoned for service and light industrial, has obvious redevelopment potential. But not immediately: Stegnaro said the 83-person group of stockholders intends to sell it with the understanding that current leases will be allowed to continue.

Executive VP and General Manager of the California Flower Market Inc. Bob Otsuka said his group is "looking at all options right now," but declined to say whether an outright purchase of the adjoining property topped the list.

He said: "We remain committed to the tenants, to the market and to our shareholders. The flower business got us here -- not the real estate."

David Polatnik, a managing principal at [Newmark Capital Group](#), is the listing agent.

### Move-in central

450 Sansome is filling up.

The 16-story building which Kent Swig, the grandson of real estate magnate Benjamin Swig, purchased, is now 68 percent occupied. When

Swig purchased the building via his New York company [Swig Burris Equities LLC](#) in November 2004 for \$28 million, it was 56 percent occupied.

In recent months, the firm has signed two new leases and four lease renewals and expansions totaling approximately 38,000 square feet.

John Jensen of [Grubb & Ellis](#) is the building's leasing agent.

Major renovations, including the lobby, elevators and common areas, which Swig indicated he would make when he purchased the building, are slated for completion by year's end.

Over the past few years, Swig Burris Equities has purchased and is in the process of developing in excess of \$1.3 billion of properties, most of which are in Manhattan.

#### **Comings and goings**

The broker shuffle continues, with John Giordani leaving BT Commercial to specialize in tenant representation at the CAC Group.

BT Commercial's Jill Ruyle, the longtime partner of Dave Klein, has also left the firm for a position at Panattoni in Southern California.

Trammell Crow Co. snagged Mark George, formerly of Triton Commercial Real Estate, to continue building its brokerage team. George will focus on the downtown market and serving institutional clients.

And then there's Jones Lang La Salle.

Jim Dublin has joined the firm's San Francisco office as vice president, leasing and management. He will report to Senior Vice President Wes Powell and work closely with the newly hired Managing Director David Churton. Powell, along with Karen Block and Jennifer O'Connell, are the new leasing agents for 225 Bush St.

Dublin will focus on local tenant representation and agency leasing.

Prior to joining Jones Lang LaSalle, Dublin served as a senior associate at CB Richard Ellis.

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