

# Hearn Closes on \$112M Office Building

By Bob Howard

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**IRVINE, CA** — The Hearn Co. and Diversified Real Estate Capital, both based in Chicago, have closed on the \$112 million acquisition of the 230,605-sf 18301 Von Karman Blvd. office tower from Maguire Properties. Principal Phil Marino of **Intercon West Realty Advisors** in Phoenix, which represented the buyers, tells GlobeSt.com that the acquisition underscores the buyer's "strong belief in Southern California in the long term."

The closing seals the most recent in a series of deals in which Los Angeles-based Maguire has disposed of Orange County assets that were part of the 8.1 million sf of former Blackstone/EOP properties that Maguire bought. The 11-story 18301 Von Karman building is one of the most visible towers in Orange County, situated a few blocks from the John Wayne airport. The class A office project includes a six-level parking structure with more than 770 spaces.

Marino notes that the acquisition closed "in a market with significant volatility in capital sources for both debt and equity." He says that the Hearn Co. plans to continue acquisitions and dispositions as part of its strategy of "acquiring quality assets in the Southern California market."

Maguire paid \$3 billion for the Equity Office Trust properties that it acquired from



18301 Von Karman

Blackstone and has since disposed of a number of the buildings, both individually and in portfolio buys, in an effort to reduce the L.A.-based REIT's debt from the deal. The other dispositions included sales of \$310 million and \$345 million in which locally based buyers acquired some of the EOP properties.

The Orange County assets that Maguire has disposed of were part of a group of 17 properties in Orange, Los Angeles and San Diego counties that Maguire said it would sell for approximately \$2 billion to reduce debt from the Blackstone transaction. Eastdil Secured represented Maguire in the sale of the Von Karman building, which is the latest in a series of office acquisitions and dispositions that Hearn has closed in the West and the Southwest.