

Texas Investor Buys Orange City Square

REAL ESTATE: Price likely tops \$80M; more SoCal deals expected

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Orange City Square: four buildings, 386,000 square feet

Granite Properties, a Plano, Texas-based real estate investor, has bought the Orange City Square office complex and has plans for more local deals.

The privately held company recently closed on Orange City Square, a four-building office complex off the Garden Grove (22) Freeway, in one of the larger office sales seen in OC this year.

Terms of the sale weren't disclosed. The complex, which runs 386,000 square feet, is believed to have traded hands for more than \$80 million.

It is the first property in Southern California for Granite Properties, but the company is looking to buy as much as 3 million square feet of offices in OC, L.A. and San Diego over the next two or three years, according to Tom Miller, a managing director who runs the company's L.A. office.

Granite said it has bought or built more than 20 million square feet of commercial real estate, totaling \$3.4 billion, across the country over the past 20 years.

Local deals are likely to be "core-plus and value-add" type investments similar in nature to Orange City Square, according to Miller, who joined the company earlier this year.

"This is a great first property," he said.

Granite's eyeing buildings around John Wayne Airport for its next deal, and it also is considering other properties around Central OC, said Miller, a former senior vice president at Newport Beach-based Irvine Company who worked on acquisitions and asset management for the company's office division.

Miller also counts local development experience—while working with Fort Worth, Texas-based Crescent Real Estate Equities he partnered with Houston-based Hines Interests LP to build the 2211 Michelson office tower, which opened in 2007.

Granite has a few development projects in the works elsewhere in the country but isn't expected to break ground on any Southern California properties in the near future, Miller said.

Orange City Square is on a 14-acre site that runs along The City Drive South, just south of The Outlets at Orange shopping center.