



## **N E W S**

*For Immediate Release*

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### **CAPSTONE ADVISORS ACQUIRES RETAIL AND INDUSTRIAL FLEX PROJECT IN PRIME PALM DESERT**

#### **CORRIDOR FOR \$4.35 MILLION**

**SAN DIEGO, August 15, 2012** – Capstone Advisors, a San Diego-based commercial real estate investment firm with a strong track record of investing in value-added real estate transactions, has purchased a four-building, 57,893-square-foot showroom retail and industrial flex project in Palm Desert, Calif., for \$4.35 million. The property was purchased from the lender who had taken ownership of the property after a loan default. The purchase price was a substantial discount to the construction cost.

“Capstone Advisors is pleased to acquire another fundamentally solid real estate project that had been negatively impacted due to the past economic decline,” said Alex Zikakis, Capstone Advisors’ president and CEO. “We continue to look for projects similar to this where we can buy well located, sound real estate assets at a significant discount to replacement cost. We then apply our strong asset management expertise to execute a turnaround strategy, ultimately allowing the real estate to recover from the recent downturn.”

During the due diligence period, Capstone Advisors worked in conjunction with the seller and listing broker to execute new leases and lease extensions for more than 40 percent of the property. As a result, the project is now 76 percent leased to a variety of quality tenants including Palm Desert Cyclery, Lifetouch Portraits and All Custom Golf Carts.

The four-building project features a prime central location along Country Club Drive near the intersection of Washington Street and Interstate 10. Tenants benefit from easy access to both the east and west ends of the Coachella Valley via Interstate 10, as well as to central Palm Desert, La Quinta and Highway 111 from Washington Street. Two of the four buildings front the heavily travelled Country Club Drive, offering excellent customer visibility for retail users, while the remaining two buildings offer well located and flexible industrial and office space.

“The project has a great infill location along one of Palm Desert’s most central commercial corridors,” said Zikakis. “We were able to buy this well-built asset at a tremendous discount to construction cost and have already generated significant new leasing at competitive rates made possible at our attractive basis.”

In the transaction, Capstone Advisors and the seller were both represented by Wilson Johnson Commercial Real Estate of Palm Desert. Wilson Johnson will also handle leasing and property management. For leasing information, call Scott Wilson at 760-837-1880.

## ***CAPSTONE ADVISORS ACQUIRES PALM DESERT FLEX PROJECT 2-2-2-2***

### **About Capstone Advisors**

Capstone Advisors was founded as a diversified real estate investment, development and advisory firm. In addition to investing in a wide range of commercial property types, the company provides third party asset management and receivership services to a variety of banks, investors and private lenders. The company has served as advisor, capital provider, asset manager, operating partner and developer for some of the world's largest financial institutions. In addition, the company is one of the most recognized and respected for-sale residential investors in the western United States. Through its partnerships, Capstone Advisors has entitled or developed 27,000 residential lots and built and sold 5,000 homes.

Capstone Advisors is headquartered in Carlsbad, Calif. at 1545 Faraday Avenue. The phone number is 760-804-6900. The company's web address is [www.capstoneadvisors.com](http://www.capstoneadvisors.com).

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