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Michelle Mowad >> REAL ESTATE

Seismic Work Finishing Up at Hillcrest Medical Center

Trigild Steps in as Receiver on \$125M in Defaulted Loans



The local office of gkkworks, an Irvine architecture firm, is finishing up non-structural seismic improvements at UC San Diego's Hillcrest Medical Center.

The \$12 million project to secure all nonstructural equipment, including heavy medical equipment, building materials and lighting fixtures, started last year.

The initial survey took place in 2003. The project is scheduled to be completed in March.

General contractor Rudolf and Sletten is conducting the improvements one area at a time.

The total work area involved is 103,000 square feet and includes such departments as radiology, clinical lab cardiac care and burn units.

"The project is always changing," said Kevin Henrion, project architect at gkkworks. "Since we conducted the original survey ... things have changed. UC San Diego brought in new equipment and took old equipment out. It has really been a moving target."

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Receiver Appointed: Trigild was appointed receiver for eight projects throughout the United States representing more than \$125 million in defaulted loans.

The projects are located in Arizona, Florida, Illinois and Washington, as well

as Fresno and Sacramento.

The firm announced the appointment Nov. 12.

Bill Hoffman, president of Trigild, said despite the dismal economic climate, his goal is to reposition troubled projects for maximum loan recovery.

"As the economy worsens, we are increasingly being called upon to salvage nonperforming development and construction loans for fully and partially finished residential and condominium projects," Hoffman said. "Our strategy is simple. We reestablish working relationships, assess funding requirements and revitalize project activities to achieve bottom line results."

Trigild manages 1,000 detached housing sites and 1,000 condominiums. Trigild serves as receiver for the majority of these projects.

Receivers take possession of assets or properties by court order and then try to sell the assets at the best prices possible after bringing them up to market condition.

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Market Overview: The local chapter of the National Association of Industrial and Office Properties hosted a market overview conference this month to address the transformed capital marketplace.

Panelist Michael McCann with New York-based ING Clarion Partners urged borrowers to talk to their lenders if they are having trouble making payments. He said banks would most likely negotiate an extension.

But borrowers face far fewer choices in getting loans since the financial mar-

ket meltdown, said S. Amos Smith of Irvine-based Johnson Capital.

Smith, a panelist at the conference, said lenders now require 35 percent equity compared to the 20 percent a year ago.

"For the next two months, the debt market is shut down," McCann added.

He projected that many institutions that have been holding off will be lending again, but at higher interest rates.

Additional panelists included Kurt Huppert with U.S. Bank and Daniel Ryan with **Veralliance Properties**.

The session was moderated by Jeff Burges of Del Mar-based **Burges Property**.

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Managing Documents: Cogent Road, a local developer of software for the mortgage industry, last week launched Business Spaces, a new document management system.

The software eases the ability of loan officers to track documents and interact with parties involved in the mortgage loan process.

William DiPaolo, managing partner of Cogent Road, said, "In addition to efficient document management, we wanted (our product) to eliminate document shipping charges by both pushing documents outward as well as collecting them from external sources."

Cogent Road said its Web-based products are used by more than 30,000 mortgage professionals.

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