



The Hoffman Company Announces \$30 Million Land Deal in Southern California

K. Hovnanian Homes sells 14.4-acre residential mixed-use project to ConAm

IRVINE, Calif.--(BUSINESS WIRE)--The Hoffman Company, a leading land brokerage firm in Southern California, announced today the close of a \$30 million transaction in North San Diego County that will allow the residential mixed-use project to move forward and benefit both parties involved.

The property was acquired by ConAm Group of Companies, a San Diego-based real estate management and investment firm specializing in multifamily housing. The seller was K. Hovnanian® Homes®, a national homebuilder that partially developed the Oceanside property, which includes 221 multifamily residential units with commercial office space and retail elements.

The property was attractive to ConAm because it's entitled and consists of high-quality assets in a good location of a coastal community that will hold its long-term value in a tough market, said Justin Esayian of The Hoffman Company, who brokered the deal.

"Yes, the real estate market is uncertain right now, but this is a smart time to pick off the best properties at a price we haven't seen in years," Esayian said. "The guys at ConAm are local, they know the market and they have a long-term vision for this project. This is a bold play that is going to pay off for them both now and down the road."

The original vision for the multifamily component was for-sale condominiums, but ConAm intends to

complete construction and market the units as apartment rentals.

The sale is strategic for K. Hovnanian, which was seeking to minimize its land exposure and was motivated to sell because of the fiscal year-end tax break, Esayian said.

Most publicly traded development companies are taking a close look at the tax benefits of selling land now at a loss they can write off against the profits of the past two years, said Tom Dallape, co-principal of The Hoffman Company.

In the past 90 days, he said, Hoffman has closed seven real estate deals in Southern California in excess of \$55 million; at least two of the largest ones were motivated by tax write-offs.

About The Hoffman Company

The Hoffman Company has been a leading land brokerage firm based in Southern California for the past 30 years. For more information, call 949-553-2020 or visit www.hoffmanland.com.

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