

Half-finished condos fetch \$30 million

By Lola Sherman
Staff Writer

A national apartment developer based in San Diego is betting on an economic turnaround and spending \$30 million for a half-built condominium project in Oceanside that has languished for a year.

ConAm Group of Companies announced yesterday that it has bought the 14.4-acre Piazza d'Oro project, at Vista Way and Rancho del Oro Drive.

"They recognized that it was a great opportunity to buy at an excellent location," Justin Esayan of The Hoffman Co., which brokered the deal, said yesterday.

K. Houvanian Homes of Red Bank, N.J., was the seller.

Esayan said the once-proposed condos will be turned into rental units. ConAm's Web site says it oversees a portfolio of more than 50,000 apartments nationwide.

When Piazza d'Oro was first approved by the city Planning Commission in 2004, it was proposed by the Monarch Group of La Jolla. The land itself is part of a legacy then owned by former Councilman John Steiger, whose Spanish ancestors once held the property.

The commission approved 201 condominiums, 28,544 square feet of stores and offices, and 20 worklive lofts. Construction started but was halted about a year ago.

"I guess they got caught in the whole downturn in the market," City Planner Jerry Hittleman said yesterday. Although the new owner will turn the complex into apartments, the units could revert to condos in the future without going back to the city for any further action, he said.

Esayan said the fact that the project already had all its city approvals was a big factor in the sale. "It's getting more and more difficult to get entitlements," he said.

When the condominiums were approved in 2004, they were expected to sell in the \$400,000s.

Esayan said he doesn't know what the rents will be for the apartments, all two-or three-bedroom units in a three-story design with garages underneath.

He said construction should resume soon but couldn't give a date.