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Contact:
Jenn Quader/ Judith Brower
Brower, Miller & Cole
(949) 955-7940
JQuader@browermillercole.com

**BLUETT & ASSOCIATES DIRECTS \$8 MILLION SALE OF ICONIC
OAKLAND TRIBUNE BUILDING**

Buyer to Create 2,300 Jobs in Downtown Oakland

Oakland, Calif. (DECEMBER 5, 2011) – [Bluett & Associates](#), a national commercial real estate firm headquartered in Sacramento, Calif., has completed the sale of the historic 85,000 square-foot Oakland Tribune building located at 409 13th Street in Oakland, Calif. The building was sold out of receivership for a base price of \$8 million to CallSocket, LP, a company that intends to establish an international call center at the building and create 2,300 new jobs in Oakland over the next three years.

Lori Bluett, President of Bluett & Associates, represented the seller, special servicer Torchlight Investors. The buyer, CallSocket, LP, was represented by CB Richard Ellis' brokers David Noravian, Hyoung Chon and Robert Newstead.

The building was collateralized by a \$10.3 million securitized loan that was transferred to Torchlight in December 2009 after the borrower defaulted. Ms. Bluett was subsequently appointed as receiver in November 2010 and took control of all aspects of the property's operation.

“When Bluett & Associates took over, the property was 15 percent occupied and not generating sufficient cash flow. Our team was successful in negotiating leases with

three new tenants, while renewing leases with existing tenants,” said Ms. Bluett. “In addition, as the receiver, Bluett & Associates made various repairs at the property, restructured the financial performance and designed multi-tenant plans for the asset.”

Bluett & Associates will be staying on to manage the historic asset.

“We are excited about the privilege of stewarding this iconic building into a new use, which will have a positive and meaningful impact on the transitional community of downtown Oakland,” stated Ms. Bluett. “Our client is creating new jobs in a challenging economic climate, and we look forward to being a part of this growth, which will be uplifting to the entire Oakland community.”

As part of the sale, CallSocket signed a lease for 45 percent of the building, with plans to open an international call center which will immediately bring 300 new jobs to downtown Oakland. In addition, CallSocket will work in partnership with the San Francisco Regional Center, LLC to create up to 2,000 additional jobs over the next two to three years in multiple businesses.

Through the receivership sale, the buyer was able to assume and restructure the existing debt using an A/B Note structure. This assumption via receivership sale structure is being used by various lenders to minimize their losses on defaulted loans and broaden the buyer pools, according to Ms. Bluett.

The buyer assumed an A-Note for a majority of the price of the building, and the A-Note has the same interest rate of the original loan. The balance of the original loan was partitioned into a non-interest bearing B-Note. If the asset is sold or the loan is refinanced, the B-Note will be repaid by an amount equal to 50 percent of the gross proceeds, less a 12.5 percent return for the buyer’s initial equity, as well as all money spent on capital improvements during the term of the loan.

About Bluett & Associates

Founded by President Lori Bluett, [Bluett & Associates](#) is regarded as one of the top commercial real estate asset management firms in the U.S. With expertise in repositioning distressed assets as well as enhancing performing real estate, the Bluett &

Associates team consists of licensed brokers and licensed Class B general contractors, and handles assignments throughout the nation on all asset class types. Headquartered in Northern California and with regional offices in Southern California, Denver, Dallas and Southern Florida, services offered by the firm include receivership, note sales, repositioning of assets, property management, development, construction management and bank consulting.

About the Oakland Tribune Building

Completed in 1923, the Oakland Tribune Building was the home of the *Oakland Tribune* newspaper until 2007. The building's iconic lights and clock have made it a symbol for the City of Oakland. At 310 feet, the structure is the 11th tallest building in the City of Oakland and offers sweeping views of downtown Oakland and the San Francisco Bay.

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