



## SILICON VALLEY **BIZBLOG**

### Rreef ended 2011 with big sale, more eyed?

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In 2011, Rreef unloaded more than 6.3 million square feet of Bay Area properties in deals that spelled opportunity for a number of developers including San Francisco-based DivCo West and Palo Alto-based Menlo Equities.

But, as I wrote in a story for this week's Business Journal, it chose to cap the year with the biggest deal of all. In late December, just right around the holidays, Rreef Real Estate sold its entire 5.3-million-square-foot Northern California industrial portfolio to PS Business Parks, a Glendale-based public real estate investment trust for \$520 million. PSB also assumed \$250 million of debt as part of the transaction.

The 26-property portfolio was made up of 18 multi-tenant business parks made up of 2.9 million square feet of light industrial space and 2.4 million square feet of flex space. The land was all over the Bay Area but concentrated in Oakland, Hayward, Fremont, Milpitas, San Jose, Santa Clara and Sunnyvale.

The transaction significantly boosts PSB's Northern California presence — it now owns 7.2 million square feet of multi-tenant industrial and flex space in 30 business parks in Northern California.

With 14 million square feet of property in the Bay Area left, it will be interesting to see if Rreef's sell-off frenzy continues in 2012 and if so, who will benefit from it.