

McCarthy Cook, Blackstone Sell Properties for \$500 Million

From a Times Staff Writer
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November 7, 2000 - In a sign of California's booming real estate market, the owners of a trio of large office buildings – including the Wilshire Courtyard in Los Angeles – sold the portfolio for more than \$500 million, a nearly 70% increase in about three years, said people familiar with the deal.

Los Angeles-based real estate firm McCarthy Cook & Co. and Blackstone Real Estate Advisors of New York said Monday they sold the properties to a new investment group that includes McCarthy and new partner PaineWebber Real Estate Fund I. Financing was arranged by the Los Angeles office of Holliday Fenoglio Fowler.

The properties include the million-square-foot Wilshire Courtyard in the Miracle Mile district of Los Angeles; Metro Center at South Coast, a 570,000-square-foot office and retail complex near John Wayne Airport in Orange County; and 733,000-square-foot China Basin Landing, one of San Francisco's largest office complexes.

The buildings were acquired beginning in 1997 through a joint venture formed by McCarthy Cook and Blackstone, which specializes in buying and selling distressed properties. Blackstone decided to cash out because "it's a good time for the fund to realize its gains," said Tom McCarthy, co-president of the investment firm.

McCarthy said his firm will continue to oversee leasing and operations at the properties under its new partnership with PaineWebber.