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Tenet Deal Lifts Already Strong San Gabriel Office Market

TENET Healthcare Corp. has signed a 91,000-square-foot lease at The Alhambra office complex in the largest San Gabriel Valley office lease deal of the year.

Tenet, based in Santa Barbara, nearly tripled its space at The Alhambra with the 10.5-year deal, where it will consolidate operations from Palm Springs, Orange County and Marina del Rey.

Though financial terms were not disclosed, the lease was worth more than \$22 million, according to one source close to the deal.

With the deal signed, the 20-building development, originally built as headquarters for engineering firm C.F. Braun Co. in the 1920s, is 85 percent occupied. Los Angeles County and University of Southern California are the largest tenants. The lease also takes space off the San Gabriel Valley market, which, with an 11.5 percent vacancy rate, is already the tightest submarket in the county.

"It's pretty typical of what's going on in the San Gabriel Valley," said Bill Boyd, senior vice president at **Grubb & Ellis Co.**, who, with Linda Lee and Brendan Monaghan, represented the landlord, a partnership of **Ratkovich Co.** and **CIGNA Corp.** subsidiary Connecticut General Life Insurance Co. "It has access to labor, a lower cost of occupancy and good amenities."

National Real Estate Services Inc.'s Tim Rose represented Tenet on the deal.