Burnham Buys on Westcliff, Plans Makeover

REAL ESTATE: Gets high-end office, shops; sells big-box retail

By MARK MUELLER

Burnham USA Equities Inc. has added a high-profile office and retail property in Newport Beach to its portfolio and sold off a big-box retail property in Laguna Niguel.

The separate deals combined for a value of close to $25 million.

The Newport Beach-based commercial real estate investor said last week that its Burnham-Ward Properties affiliate finalized the sale of 1617 Westcliff Drive, a two-story property near the boundary between Newport Beach and Costa Mesa.

The building, which runs about 34,500 square feet, has a number of high-end medical and dental tenants, including Terry Dubrow, a cosmetic surgeon who is the husband of “Real Housewives of Orange County” cast member Heather Dubrow.

The property has also held other offices, shops and a number of popular restaurants over the years, including The Arches. The steak house closed its location there two years ago, and the space remains vacant.

Burnham-Ward purchased the building out of bankruptcy. Court records show the building trading hands for $9.4 million, or about $272 per square foot.

Mark Larson, president of the Lee & Associates’ investment services group in Los Angeles, represented the seller.

The property’s prior owner, a Newport Beach-based entity operating under the 1617 Westcliff LLC name, filed for bankruptcy in August 2012 after falling behind on about $7.5 million of debt, according to court records.

The new owner plans to invest “millions” on a major overhaul of the center, according to Scott Burnham, chief executive of Burnham USA, one of the larger owners of offices and retail properties in and around Newport Beach.

Knobbe Wants Resort Feel at Airport-Area Office

REAL ESTATE: Firm is partner, main tenant in 14-story tower

By MARK MUELLER

Knobbe Martens Olson & Bear LLP.

Orange County’s largest law firm by number of local attorneys, is looking to bring a touch of the resort lifestyle to the Irvine office tower that holds its headquarters.

Knobbe is the managing member of 2040 Main LLC, which owns the 307,000-square-foot office tower at 2040 Main St. It recently announced plans for a bevvy of changes at the 14-story property as part of a bid to increase its occupancy rates.

Among the more notable changes at the building are plans to give tenants a resort-like experience in terms of amenities and customer service.

Expect to be treated to music and flavored spa-style water in the building’s lobby, according to officials at brokerage Stream Realty Partners, whose Irvine office was recently selected to oversee the changes and provide leasing services.

Tenants also will have access to an executive assistant-style concierge, shuttles to nearby shopping areas such as South Coast Plaza, monthly tenant appreciation events, and other perks.

Even the scent of the office is expected to change, according to Colby Annett, co-managing partner of Stream Realty’s Irvine office.

Biolase Works Out Waiver on Loan

HEALTHCARE: Deal follows hit from short, stock plunge

By VITA REED

Irvine-based Biolase Inc. has revised its credit agreement with Comerica Bank after falling out of compliance with loan covenants.

Comerica reduced Biolase’s domestic credit line to $4 million from a previous high of $6 million, according to a Securities and Exchange Commission filing. The company, which makes lasers used by doctors and dentists in the U.S. and Europe, retains a $4 million international credit line.

The SEC filing said the amendment to the loan from Dallas-based Comerica “revised certain financial covenants,” including one that involved an undislosed figure for Biolase’s minimum earnings before interest, taxes, depreciation and amortization.

“Biolase is now entering what has traditionally been its strongest revenue period of the year—September to December—and finalizing [the amendment] provides us with the flexibility