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Sunroad Tower Signs First Tenant

By NED RANDOLPH - 8/11/2008

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The Sunroad Centrum office tower in Kearny Mesa — which had its grand opening delayed by numerous stop work orders in 2006 and 2007 due to federal aviation officials' concerns about its height — has signed its first tenant.

The San Diego law firm of Marks, Golia & Finch LLP leased the entire ninth floor, which takes up 25,000 square feet of the Class A building near Highway 163 in Kearny Mesa, according to a news release distributed Aug. 5.

Terms of the lease have not been disclosed, although because of the softening office real estate market, it likely included substantial incentives to move a tenant into the 11-story building, which has been empty since its June 1 completion.

This has been a difficult period for the San Diego office market, which has been impacted by the downturn in the housing market and related industries.

Office vacancies rose to 14.9 percent in the quarter ending June 30, its highest level in more than a decade, according to the Colliers International Knowledge Report.

Nonetheless, Mark Wayne, a Cushman & Wakefield Inc. agent marketing Sunroad Centrum, says the building has gotten many looks from prospective tenants.

"They're seeing the value of a brand-new Class A office building. All the buildings in the area are a little tired," he said.

Marks, Golia & Finch, which specializes in construction and related labor and employment practices, says it was attracted to Sunroad because of its central location and accessibility for clients.

"Sunroad Centrum is central to the many business districts throughout the county and the area is far less congested or burdensome to reach than downtown, UTC or Carmel Valley locations," said Jason Thornton, a partner with Marks, Golia & Finch, which has 27 attorneys and plans to expand.

CB Richard Ellis represented the tenant in the transaction.

Located near Montgomery Field, the 275,000-square-foot tower had to be lowered by about 20 feet to 160 feet based on Federal Aviation Administration safety concerns.

"We're very, very pleased with the activity in that project," said Wayne. "We're talking to several groups that could take us to 100 percent occupancy by the end of the summer."

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