

Idaho Statesman

DBSI sells property-management business in auction approved by bankruptcy court

Submitted by [David Staats](#) on Sat, 02/07/2009 - 11:51am.

A part of DBSI Inc. has been sold as the Meridian real-estate investment company's bankruptcy case proceeds.

DBSI's property management business was put on the auction block last month. This week, a 7-year-old South Carolina company, [TIC Properties Management LLC](#) of Greenville, won the auction.

That means DBSI is surrendering 44 properties it managed for tenants in common, investors around the nation who each owned pieces of the buildings DBSI managed. DBSI is giving up management of 1.6 million square feet of retail space, 1.8 million square feet of office space, 92,000 square feet of multifamily buildings and 179,000 square feet of industrial buildings.

TIC declined to disclose what it paid.

Before it filed for bankruptcy in November, DBSI controlled 248 commercial properties around the nation and had more than 8,500 investors.

DBSI laid off workers last June and September amid worsening conditions in the commercial real estate markets, was sued by investors in October after it stopped paying them, filed for bankruptcy in November, and was sued for fraud by Idaho securities regulators this month.