



Diversification, Stability Equal Success

Homebuilder Has Lending, Tech, Commercial Arms

■ By MARK MUELLER

To get an idea of the business acumen of **Far West Industries** and the Lissoy family, take a look at the Santa Ana-based homebuilder, developer and investor's local operations during the Great Recession.

When numerous public and private builders were struggling to keep the lights on during a difficult few years and returning key land assets to the bank, Far West did a fair number of successful developments.

The company had the fastest-selling Orange County home project in 2008 in the 54-unit San Marino development in Fountain Valley.

The 14-acre project featuring homes topping 3,000 square feet and prices starting around \$1 million, sold out in about three months, making it one of the few success stories in what was a cratering OC new-home market.

Despite facing headwinds from the cooling conditions, the development came when few homes were being built in Fountain Valley, an area where then-Far West Senior Vice President **Scott Lissoy**—who's now president—grew up.

Another unlikely success story took place on Dove Street in Newport Beach near John Wayne Airport.

In 2006, Far West bought a 74,000-square-foot office as an investment property. By 2009, near the bottom of the recession, it had built a 20,000-square-foot office property on empty land there, one of the largest area commercial properties built that year.

Both offices remain under Far West's owner-



ship and have been largely full most of that time.

The Dove Street buy was paid for with cash, while the new construction was funded with Far West's existing resources, eliminating debt concerns on the project.

"It was a horrible, horrible time to build," Lissoy said. "But the key was that we didn't become overly leveraged."

What's more, the company managed to avoid laying off any of its 20 full-time employees during the recession.

"To my knowledge, they were the only new-home builder in the nation that did not lay anyone off," said **Steven Kaller**, chief executive of Anaheim-based sales and marketing company **Ultimate New Homes**.

The Great Recession was apparently no fluke. Far West, which has built thousands of homes

since its 1977 founding, said it has never defaulted on a loan or failed to finish a community.

Far West, which now has 28 employees, received the small-business honor at the Business Journal's annual Family-Owned Business Awards on June 14 at Hotel Irvine (see profiles of other winners on pages 1, 6 and 8).

Home-Improvement Roots

Lissoy's father, **Albert Lissoy**, started the business. The one-time **University of Arizona** basketball player had stints as a police officer in Tucson and as a manager of the Western region of Peat, Marwick, Mitchell and Co.'s acquisition advisory services, before turning to other opportunities.

He conceived the company as a home-improvement business, and quickly became one of the largest U.S. distributors of Westinghouse's

home-improvement equipment.

Far West pivoted to real estate development and homebuilding in the early 1990s after Scott graduated from the **University of Southern California** and joined the business.

Commercial and nonbank commercial lending operations came next.

Far West now manages a nonbank commercial lending portfolio exceeding \$100 million through its **GF Capital** subsidiary. Plans are in the works to raise another \$100 million for the lending operations.

Unit **Far West Technologies LLC** consults on network security and architecture for some of the region's largest banks, healthcare providers and other businesses.

The technology business, started in 2006, is run by Scott's brother, **Eric**.

Garden Grove Plans

Homebuilding remains a focus, primarily in Southern California. The Coachella Valley has been its biggest source of business over the past decade.

The company projects that it will sell about 150 homes this year.

In Orange County, where publicly traded builders with deep pockets have snapped up the bulk of home lots, "land is hard to come by," Lissoy said.

One Orange County housing project is planned in Garden Grove. The 16-townhome, The Centre, will be on Garden Grove Boulevard just east of Euclid Street. The three-story homes will total nearly 1,900 square feet.

Two will be live-work units. The Centre is one of several new live-work projects slated in the city's Civic Center, where civic leaders are attempting to revitalize via development. ■