

Logistics Firm Leases 517,000-SF Warehouse

By Bob Howard
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REDLANDS, CA - Kenco Logistics Services of Chattanooga, TN, a third-party logistics provider, has signed a five-year, \$11 million lease for a 517,346-square-foot distribution building at Carson, CA-based Watson Land Co.'s Watson Commerce Center Redlands. The LEED-certified facility will serve as distribution center for major cereal company, according to Watson, which pegged the value of the deal at \$11 million. The deal is the largest industrial lease signed in the Inland Empire thus far in 2009, according to Grubb & Ellis brokers who represented Kenco in the transaction.

Kenco, whose lease begins in April, will run the facility as a crossdock operation for all order fulfillment, shipping, receiving, and inventory management of Ralston Foods' Post brand cereal business. The facility, which was completed at the end of January 2009, is located at 26875 Pioneer Ave.

Watson Commerce Center Redlands is a 2.5 million-square-foot, 100-acre master-planned center that features energy-efficient class A industrial buildings built according to LEED guidelines. Andy Smith, president and COO for Kenco, says that the energy-efficient features and LEED certification were keys in the logistics firm's decision to choose the Watson building.

The deal is the first lease at Watson Corporate Center Redlands, according to Lance Ryan, vice president of marketing and leasing for Watson Land. He notes that the new Kenco facility will add up to 100 jobs in the City of Redlands and will make heavy use of the Watson Commerce Center Redlands' proximity to the San Bernardino Airport and Interstate 10.

Kenco was represented by Ron Washle and Mark Kegans of Grubb & Ellis. Watson was represented by Tom Taylor, Steve Bellitti and Josh Hayes of Colliers International.