

August 11, 2010

## Huffy Expands Into 190,000-SF Warehouse

By Bob Howard



CARSON, CA-Bicycle manufacturer Huffy Corp. has signed a lease with Watson Land Co. for a 190,000-square-foot distribution center in the master-planned Watson Corporate Center in one of three recently closed Southland industrial deals -- two of them in the South Bay. The other transactions include Denver-based DCT Industrial Trust's acquisition of a 67,068-square-foot distribution center in Fontana and the sale of a 33,485-square-foot, two-building industrial property in Gardena.

Huffy Corp.'s lease with Watson Land Co. is an expansion and relocation from a 120,000-square-foot facility at the Dominguez Technology Center, which is also owned by Watson. The new Huffy space, which will serve as the company's West Coast distribution center, is at 21750 Arnold Center Rd.

Huffy needed the larger distribution center "following significant growth at its current location," according to Lance Ryan, vice president of marketing and leasing with Watson Land Co. Bill Smith, president and CEO of Huffy Corp., notes that the new distribution center, in addition to its central location in the South Bay near Southern California's ports and freeways, provides flexibility for expansion.

Huffy's four-year lease is valued at \$5.8 million. The bicycle maker was represented by Barry Hill of Jones Lang LaSalle; Watson Land Co. was represented in-house by Lance Ryan and Mike Bodlovich.

In the Fontana transaction, DCT Industrial paid \$4.5 million for a 67,068-square-foot bulk distribution center at 13560 Colombard Court that is 100% leased to Harpure Enterprises. DCT estimates that the purchase price is 25% below replacement cost and that the property is projected to generate a cash yield of 7.9% in the first year.

DCT acquired the Colombard Court property from Denver-based Alliance Commercial Partners. Both the buyer and the seller were represented by the CB Richard Ellis team of vice chairman Darla Longo, executive vice president Barbara Emmons and senior vice president Jay Dick.

In the other South Bay transaction, Diversified Crating & Packaging bought a 33,485-square-foot, two-building industrial property at 400-422 W. Rosecrans Ave. in Gardena, according to the Klabin Co. Diversified, a manufacturer of custom and production crates and crating services, plans a third-quarter occupancy of the facility in a relocation from nearby Carson, according to principal David Grote of the Torrance office of Klabin/Corfac.

Grote represented the seller of the property, 400 W. Rosecrans LLC. The buying entity, DCP Properties, paid \$2.2 million for the property and was represented by Brian Held of Grubb & Ellis Co.