



THE TRATT REPORT

COMMERCIAL NEWS



"As first offers are usually unrealistic I would prefer it if you submit the second offer first."

"Do you see a man diligent in his business? He shall stand before kings."

-Proverbs 22:29



TRATT SELLS \$150 MILLION OF PROPERTY

Phoenix, Arizona (2013) – 2012 was an active year for Tratt Properties. Tratt started the year with the sale of both the Freeport Industrial Center (103,400 sf) and the BNSF Industrial Center (140,777 sf). The buildings sold for a combined \$13M. In May of 2012, the Riverside Industrial Center sold for \$131M to Industrial Income Trust. The transaction was handled by Darla Longo and her CBRE Capital Markets team. The Riverside project included a 376,760 sf building leased to The Home Depot, and a 1,207,021 sf building occupied by Amazon.com. Tratt developed the project in a joint venture with KTR Capital Partners. To cap off the year, the High Time building, 127,680 sf, sold for \$6.8M in December. The building was 50% leased by Blue Line Distribution (Little Caesar's Pizza). Bo Mills and Mark Detmer, of Jones, Lang, LaSalle, represented Tratt Properties. Stein Koss, of Lee & Associates, represented the buyer. Cumulatively, Tratt Properties sold 1,955,638 square feet for \$151.5M for an average of \$77.47/sf.

TRATT ACQUIRES PEPSI BOTTLING FACILITY

Winston-Salem, North Carolina (2013) - In September 2012, Tratt Properties acquired a 526,320 sf Pepsi Bottling Ventures building located in Winston-Salem, North Carolina. The facility was purchased for \$25.5M [\$48.45/sf] and leased long-term to Pepsi Bottling Ventures, LLC, the largest independent Pepsi bottler in the United States. PBV, LLC is a joint venture between PepsiCo and the Japanese franchisee of Pepsi. The property will become the most sophisticated and productive bottling facility of its kind in the United States. PBV plans on investing over \$80M in building upgrades to make it an unprecedented state of the art facility. The property was developed and sold by JDA and represented by John Huguenard of Jones, Lang, LaSalle. The long term financing on the project was provided by Phoenix-based Alliance Bank of Arizona (WAL).

DEVELOPMENT UPDATE

43RD AVE. LOGISTICS CENTER
1635 S. 43RD AVENUE
400,000 SF UNDER CONSTRUCTION



The 400,000 sf cross-dock, rail-capable, state-of-the-art facility will be ready Fall, 2013. Construction is well under way and the walls are tilted. Go to trattproperties.com to view real-time photos of the project.

For additional information please contact Pat Feeney, Danny Calihan or Rusty Kennedy of CBRE (602) 735-5530

ELWOOD LOGISTICS CENTER
SARIVAL AVE. & W. ELWOOD ST.
1.3 MILLION SF



The 1.3 million SF, cross-dock, 40' clear height, FTZ pending building will be the largest spec project to be built in Arizona. The site is 80 acres, features a 3-sided street ingress/egress, and includes over a half mile of frontage on Elwood, a 6 lane truck throughway from the 303 to I-10. The site will be able to accommodate hundreds of trailers and over 1,500 car parking stalls.

For additional information please contact Tony Lydon or Marc Hertzberg of Jones, Lang, LaSalle (602) 282-6300

NAIOP
COMMERCIAL REAL ESTATE
DEVELOPMENT ASSOCIATION

NAIOP- Tratt Properties sponsored the December 2012 "Feed the Homeless" event at Central AZ Shelter.



SIOR- Jonathan Tratt is a local affiliate member, sponsor, as well as a supporter of the SIOR Foundation. It is interesting to note that all deals mentioned in this report involved SIOR members.

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