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Kunofsky and Kauffman of Marcus & Millichap sell 144,187 s/f FedEx dist. center

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Marcus & Millichap Real Estate Investment Services has arranged the sale of a 144,187 s/f distribution center leased to FedEx. The sale price of \$15 million represents \$104 per s/f.

Glen Kunofsky, senior vice president investments and a senior director of the firm's Net Leased Properties Group in Manhattan, and Judson Kauffman, a net-leased properties specialist also in Manhattan, represented the buyer and seller. Steve Witten, a first vice president investments at Marcus & Millichap, assisted in this transaction locally.

"This transaction shows that quality assets with quality tenants are still demanding premium pricing in this market," said Kunofsky. "The buyer was extremely happy with the property, the overall return and the financing terms," said Kauffman.

The property is located at the Lakeside Commerce Center, which is off I-295 and seven miles from the airport in central Rhode Island. Built-to-suit in 2008 for FedEx Ground, the 22-plus acre site was developed with room for a 27,720 s/f expansion.

The distribution center's initial double-net lease commenced June 1, 2008 and has a 10-year term. FedEx has the option to extend the lease with two five-year renewal options. The closing cap rate was 7.5%.

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