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Riverside rendering: Irvine office of Rockefeller making push in IE

Rockefeller Adds IE Distribution Center to Pipeline

2-Building Project To Top 600,000 SF

Rockefeller Group, a New York-based commercial real estate developer whose western U.S. operations are based out of Irvine, continues to be bullish on the Inland Empire industrial market.

The company—best known for developing Rockefeller Center in New York City—recently closed on 30 acres in Riverside with development plans already underway to build a two-building distribution center topping 600,000 square feet.

Rockefeller is planning to break ground this month on the project, which will include two industrial speculative distribution buildings totaling 289,944 square feet and 333,553 square feet, respectively.

Newcastle Ties

It paid nearly \$20 million for the site from **Newcastle Partners**, which entitled the property prior to the sale.

It's the second recent deal between the two companies; Rockefeller last year bought an 8.8-acre parcel in Moreno Valley from Newcastle, which operates locally out of Corona.

Rockefeller recently wrapped construction at that site, which now holds the 203,944-square-foot **Centerpointe Commerce Center**.

"Rockefeller Group is excited to begin

development on our next two projects within the thriving Inland Empire East submarket," **James Camp**, senior vice president and regional development officer for Rockefeller's West Region.

Camp's career in Orange County's commercial real estate industry includes prior stints at **Greenlaw Partners** and **Voit Development Co.**, among others. In 2018, he was president of the SoCal Chapter of **NAIOP**.

Rockefeller plans to wrap construction on the project by next spring.

Newport Beach-based **RM Dalton** is the general contractor; **Lee & Associates** will handle leasing efforts.

Prior Deal

This is the second notable deal this year for the firm in the Inland Empire.

In January, Rockefeller paired with Irvine-based **MBK Real Estate LLC** to buy a 13.8-acre site in Fontana for \$15.7 million, where it is building a 297,161-square-foot industrial facility.

Rockefeller previously partnered with MBK with the construction of **Optimus Logistics Center**, a 1.5-million-square-foot industrial facility in Perris that wrapped in 2018.

That \$120 million project sold out at the start of 2019.

"We are seeing a continued decline in vacancy and strong gross and net absorption rates in the Inland Empire region," said

Marc Berg, Rockefeller's vice president and regional director in the Western Region.

"We will complete construction of these two new buildings at a time when few buildings of similar size are anticipated to be on the market and when tenant demand is expected to be high."

Market Trends

Industrial transactions continue to fare better than other commercial sectors as of late, with the e-commerce sector driving demand.

Orange County also appears to be on better footing than most U.S. markets, with industrial rents expected to grow 33% over the next five years, an average of 6.6% per year, according to **CBRE Group** data.

That's the fourth-greatest appreciation among U.S. industrial markets, trailing Los Angeles, Louisville, and New York City.

Growth in the market is "driven by the market's infill supply and last-mile positioning," CBRE notes. ■

Rockefeller Group

ROCKEFELLER GROUP

- **FOUNDED:** 1928
- **HEADQUARTERS:** New York
- **LOCAL EXECUTIVE:** James Camp
- **BUSINESS:** commercial developer
- **NOTABLE:** 620,000-square-foot Riverside distribution center breaks ground this month