



# Q4



**THE KLABIN COMPANY**  
INDUSTRIAL AND OFFICE REAL ESTATE SINCE 1961  
CORFAC INTERNATIONAL

A TRADITION OF TRUST

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59

YEARS OF COLLABORATION

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Now in our sixth decade, The Klabin Company/CORFAC International is ranked among the top commercial real estate companies based in Los Angeles. With clients around the world, we specialize in industrial, office, investment and development services. We combine cutting-edge research and analysis with years of experience to closely follow ever-changing market dynamics and ensure the best possible value for our clients. Our stable of knowledgeable real estate professionals are committed to helping every client succeed. Several of our agents hold the prestigious Society of Industrial and Office Realtors (SIOR) designation and some are past presidents of the influential organization. The Klabin Company is a founding firm of CORFAC International, which provides a global platform for our clients.





THE KLABIN COMPANY | 2019 MARKET UPDATE | SOUTH BAY | LOS ANGELES

# Q4



## AB5

Page 5

## CONTENTS

### **Sub-Market Spotlight: Carson**

page 4

### **AB5**

page 5

### **Lease Intelligence**

page 9

### **Sale Intelligence**

page 11

### **Land Value**

page 13

### **South Bay 100**

page 15

### **TKC NEWS**

page 19

# HOT TOPICS

## 1 ELECTION 2020

Need we say more?

## 2 SHIFTING INVENTORIES

2019's peak shipping season was a moving target thanks to the threat of tariffs. We do not expect the build up of inventories that took place in early 2019 to repeat itself and inventories will stabilize.

## 3 INTEREST RATES

Due to the pending election, we expect rates to remain unchanged in 2020.

## 4 CORPORATE OFFICE IN INDUSTRIAL BUILDINGS

Rising costs, a desire for efficiency, and higher image industrial buildings has driven consolidation of corporate headquarters into distribution facilities. We expect this to continue.

## 5 LACK OF SUPPLY

Vacancy continues to hover around 1%, but we do see a softening in the Class B market. Construction is strong but entitlement delays have slowed delivery of many projects.

## ACTIVE INDUSTRIES

- ↑ E-Commerce
- ↑ Consumer Goods
- ↑ Cold Storage
- ↑ Food & Beverage
- ↑ Construction Services
- ↑ Third Party Logistics
- Technology
- Manufacturing
- ↓ Trucking

- ↑ On the Rise
- Holding Steady
- ↓ Slowing Down



### HOT TOPICS IN CARSON:

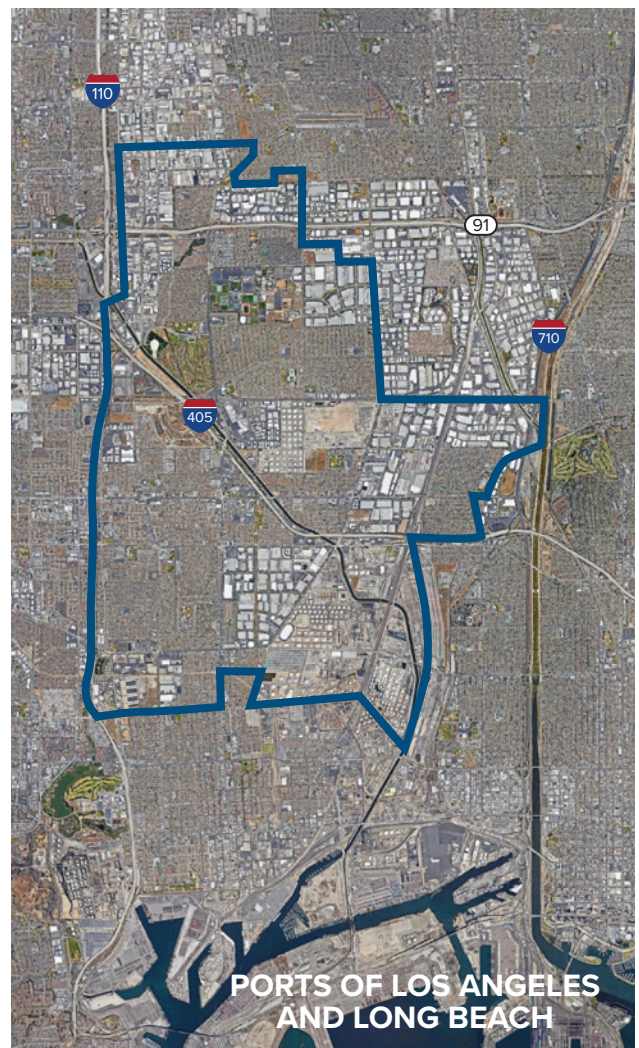
- 5.79-acre General Mills Sale
- Growth of eCommerce-related Tenants pushing rents upward
- 2020 Election - District vs. At Large

### SUB-MARKET SPOTLIGHT:

# CARSON

The City of Carson was incorporated 1968 and is not only the (temporary) home to the Los Angeles Chargers football team and Goodyear Blimp, but is also home to one of the largest and most diverse industrial real estate markets in California. In Carson, businesses can find everything from small, functional incubator units for their machine shop or on-line fulfillment business, to a newly constructed 412,000 square foot, Class A, LEED Certified, distribution center with 12,000 square feet of office and 65 truck-high loading positions.

Carson's proximity to three major freeways and the Los Angeles/Long Beach Port Complex has long fueled strong demand across all size ranges, driving vacancy rates to historic lows, and industrial property values to historic highs. As an example, Watson Land Company, the area's largest industrial landlord with holdings totaling 11.6 million square feet in Carson alone, currently has one vacancy totaling 28,225 square feet. Watson's year-end vacancy rate of .0024% in Carson is indicative of the strength of this vital Sub-market. 🦋



# AB5

*“More than 70,000 truckers in California may have their services restricted if the law is enforced.”*



By: Tyler Rollema, Senior Associate

Since it was signed into law in September 2019, Assembly Bill 5 has generated rumors and confusion throughout California due to its major implications for employers across the state. The new bill, which began as an attempt to curtail the controversial policies of companies like Uber and Lyft, attempts to reclassify many types of independent contractors as employees. But this shift is also of particular concern to the trucking industry, which has historically been a place where owner-operators can choose to work as independent contractors, which may now be limited to when and how a business can contract with them for trucking services.

AB5 challenges the traditional methods of determining employment in favor of an ABC test. The problem with this test is the “B” prong, which states that to be considered an independent contractor rather than an employee, the worker must “perform work that is outside the usual course of the hiring entity’s business.” Since most owner-operators contract their work with other trucking companies, their work is arguably within the usual course of the business and, as such, would reclassify them as employees.

The National Law Review, in a recent article, had this to say about AB5: “Ultimately, AB5 dramatically shifts what services will be considered the work of independent contractors and is anticipated to shift the classification of approximately 2 million independent contractors to employees. This has major implications for employers across the state and would significantly increase the cost of doing business for many companies”. Among the 2 million independent contractors includes more than 70,000 truckers in California, whose services may be restricted if the law is enforced.

Proponents of the law claim it is designed to protect worker’s rights by affording current independent contractors the same benefits as traditional employees, which include a



minimum wage, worker's compensation, expense reimbursement, unemployment insurance, along with paid sick and family leave days. Employers will also have to pay their share of customary federal Social Security and Medicare payroll taxes.

One persistent rumor among truckers servicing California's ports is that drivers with companies not in compliance with AB5 be turned away from terminals on Jan. 2, the day after the law was set to go into effect. However, according to David Libatique, deputy executive director of stakeholder engagement at the Port of Los Angeles, "they won't be denied entrance to the port based on imposition of AB5. The state will be using a different test to be determining whether drivers are employees or contractors, but that's not up to us to determine, check upon, or enforce."

As a major short-term win to the trucking industry, on December 31st, one day before the law was to go into effect, US District Court judge Roger T. Benitez issued a temporary restraining order, carving out a temporary exemption for the trucking industry until the courts rule on a lawsuit filed by the California Trucking Association (CTA).

Most recently, on January 16th, Judge Benitez granted the CTA a preliminary injunction on its lawsuit over Assembly Bill 5, ruling that AB5 is obstructed by existing federal statutes, namely the Federal Aviation Administration Authorization Act. Benitez wrote in his ruling that the, "FAAAA preemption is broad but not so broad that the sky is the limit: states retain the ability to execute their police power with laws that do not significantly impact rates, routes or services". This is most certainly a victory for





the bill's challengers and may be a foreshadowing of more rulings reinforcing the bill's violation of federal law.

As a hedge against the possibility that the law may ultimately be upheld by the courts, many drayage companies in Southern California have begun channeling more freight through freight brokers. By letting a broker handle the relationship with the owner-operator, this may help satisfy the "B" prong of the test. This model may be the best alternative to what they fear will be a relentless push by California and other states to abolish independent contractor operations. States lose millions of dollars in tax revenues each year because those companies avoid paying workers compensation and other taxes, so it would come as no surprise if AB5, and other similar state laws, become the new standard.

For those following the industrial real estate market, it will be a matter of time before the effects of AB5 are realized. As trucking companies continue to face political challenges, especially in California, demand for industrial space and truck yards may shift as these companies stall growth plans or look to cut costs, which may have a negative impact on rates. However, even amid this uncertainty, South Bay industrial property and business owners should find solace in the importance of the Los Angeles and Long Beach port complexes and surrounding industrial supply that, in addition to the region's population base, will allow the trucking industry continued growth and success for years to come. 🇺🇸



# LEASE INTELLIGENCE



1390 W. STORM PKWY.  
TORRANCE, CA

**LEASE COMPARABLE**

<b>TENANT</b>	Room & Board
<b>LANDLORD</b>	Storm Properties
<b>SIZE</b>	70,223 SF
<b>TERM</b>	60 Months
<b>START RATE</b>	\$1.05 NET
<b>RENT ADJUSTMENT</b>	3% Annual Increases



1457 GLENN CURTISS ST.  
BUILDING 728  
CARSON, CA

**LEASE COMPARABLE**

<b>TENANT</b>	BDK Auto
<b>LANDLORD</b>	Traffic Tech
<b>SIZE</b>	76,028 SF
<b>TERM</b>	31 Months
<b>START RATE</b>	\$1.06 NET
<b>RENT ADJUSTMENT</b>	3% Annual Increases



24760 S. MAIN ST.  
CARSON, CA

**LEASE COMPARABLE**

<b>TENANT</b>	USPS
<b>LANDLORD</b>	Prologis
<b>SIZE</b>	231,008 SF
<b>TERM</b>	60 Months
<b>START RATE</b>	\$.93 NET
<b>RENT ADJUSTMENT</b>	3% Annual Increases



950-990 FRANCISCO ST.  
TORRANCE, CA

**LEASE COMPARABLE**

<b>TENANT</b>	Amazon
<b>LANDLORD</b>	Prudential
<b>SIZE</b>	301,827 SF
<b>TERM</b>	123 Months
<b>START RATE</b>	\$.97 NET
<b>RENT ADJUSTMENT</b>	3% Annual Increases

# RENTAL RATES

## 10,000 SF – 50,000 SF

CLASS A  
\$1.00 - \$1.25 N PSF

CLASS B  
90¢ - \$1.00 N PSF

CLASS C  
80¢ - 90¢ N PSF

## 50,000+ SF

CLASS A  
95¢ - \$1.10 N PSF

CLASS B  
80¢ - 95¢ N PSF

CLASS C  
75¢ - 80¢ N PSF

# SALE INTELLIGENCE



501 AMAPOLA AVE.  
TORRANCE, CA

**SALE COMPARABLE**

**BUYER** Sage Millimeter

**SELLER** Edelbrock

**SIZE** 35,582 SF

**SALE PRICE** \$269.80 PSF

**NOTES:** Owner User Purchase.



STORM BUSINESS PARK  
TORRANCE, CA

**SALE COMPARABLE**

**BUYER** Rexford Industrial

**SELLER** L&B Realty Advisors

**SIZE** 267,503 SF

**SALE PRICE** \$247.34 PSF

**NOTES:** 91% Leased, 4.1% CAP.



750 MANVILLE STREET  
COMPTON, CA

**SALE COMPARABLE**

<b>BUYER</b>	Rexford Industrial
<b>SELLER</b>	High Street
<b>SIZE</b>	59,996 SF
<b>SALE PRICE</b>	\$191.85 PSF

**NOTES:** 100% Leased, 4.75% CAP.



21112 S. FIGUEROA STREET  
CARSON, CA

**SALE COMPARABLE**

<b>BUYER</b>	Brookfield Property Group
<b>SELLER</b>	Dino Crescentini
<b>SIZE</b>	92,282 SF
<b>SALE PRICE</b>	\$222.37 PSF

**NOTES:** Below market lease in place for 23 months.

# SALE PRICING

## USER RATES

*User sale prices have stabilized*

Torrance:  
**\$250+ PSF**

Rancho Dominguez/Carson/  
Compton/Long Beach:  
**\$200+ PSF**

## CAPITALIZATION RATES

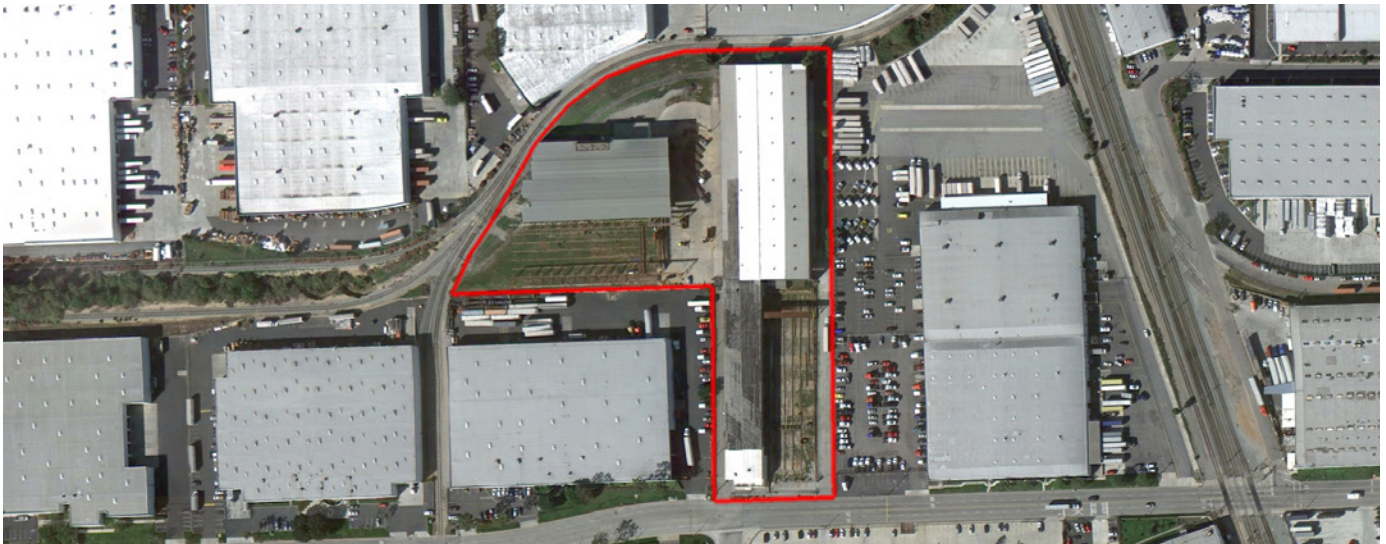
*Abundance of institutional capital driving pricing*

Superior Credit & Quality:  
**Sub 4%**

Good Credit & Quality:  
**4.5%**

Stabilized Development:  
**Sub 5%**

# LAND VALUE



225 MANVILLE ST.  
COMPTON, CA

LAND LEASE COMPARABLE

<b>TENANT</b>	Southern Counties Express
<b>LANDLORD</b>	Prologis
<b>SIZE</b>	339,687 SF
<b>START RATE</b>	\$.395 PSF NET

**NOTES:** CUP obtained by Landlord. Landlord to pave, fence, and light property.



2315 E. DOMINGUEZ ST.  
CARSON, CA

LAND LEASE COMPARABLE

<b>TENANT</b>	FedEx
<b>LANDLORD</b>	Terreno Realty Group
<b>SIZE</b>	237,592 SF
<b>START RATE</b>	\$.420 PSF NET

**NOTES:** CUP obtained by Landlord. Landlord to pave, fence, and light property.



19681 PACIFIC GATEWAY DR.  
 TORRANCE, CA

LAND SALE COMPARABLE

<b>BUYER</b>	Black Creek Group
<b>SELLER</b>	LSC Communications
<b>SIZE</b>	10.71 Acres
<b>SALE PRICE</b>	\$34,925,000

**NOTES:** Buyer to build 227,000 SF building.

# LAND VALUES

## CURRENT LAND VALUES

Land Values are starting to move above **\$80 PSF**

Surface use lease rates are above **40¢ PSF NNN**

## HISTORIC LAND VALUES

- 2015 Land Values: **\$35 PSF**
- 2015 Surface Lease Rates: **25¢ PSF**
- 2010 Land Values: **\$20 PSF**
- 2010 Surface Lease Rates: **15¢ PSF NET**
- 2005 Land Values: **\$30 PSF**
- 2005 Surface Lease Rates: **20¢ PSF NET**

# *SOUTH BAY 100*

The South Bay 100 is updated monthly by personally verifying the availability, timing, and expenses for each property. It's our goal to provide real time information for marketed, off market, and future availabilities. We hope you find value in our detailed report.

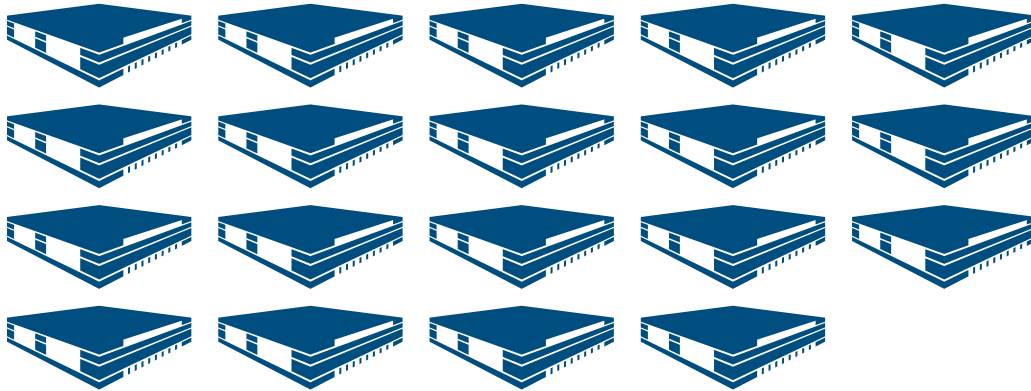




# JAN 2020 SB100 BY THE NUMBERS

## 17 EXISTING BUILDINGS

OF 100,000 SF OR LARGER



CLASS A  
ASKING RATE

\$1.05\*

CLASS B  
ASKING RATE

\$.90\*

# SEVEN VACANT BUILDINGS

6 CLASS

9 CLASS

2 CLASS

# A

# B

# C

# 13

DIRECT  
DEALS

# OVER 2 MILLION SF TO BE DELIVERED IN THE NEXT 12 MONTHS

\*Assumes a direct lease

# JANUARY 2020 SOUTH BAY 100 REPORT

## EXISTING BUILDINGS

	ADDRESS OWNER	SIZE	OFFICE	CEILING HEIGHT	SPKLR	YARD DEPTH	TH POS	RENT/ PRICE	N TO G (EST.)	COMMENTS
1	439-505 E Euclid Ave., Compton Brennan Investment Group (7/18) Occupied	98,464	TBD	30'	Yes	60'	10	\$.82 G	N/A	Older style warehouse space. Now for sale as part of a larger 360,391 SF property. Class B.
2	1860 S Acacia Ave., Compton Juniper Management (5/18) Vacant	100,512	3,000	22'	.45/3000	110'	14	\$1.05 G	N/A	Manufacturing/distribution space. Newly refurbished. Class B.
3	531 E Euclid Ave., Compton Brennan Investment (6/19) Occupied	104,899	758	16'	Yes	TBD	14	\$.85 G	N/A	Distribution space. Excess land available at \$.50/SF Gross. Class C.
4	909 E Colon St., Wilmington Potential Industries-Sublessor (4/19) Vacant	111,500	1,500	24'	Yes	Varies	10	\$.95 G	N/A	Sublease through 1/7/23. Class B.
5	1500 S San Pedro St., Gardena Rexford Industrial (7/15) Vacant	112,075	4,000	32'	ESFR	184'	19	TBD	\$.245	New construction. Class A.
6	3040 E Ana St., Rancho Dominguez Onestop Internet-Sublessor (11/19) Occupied	115,814	21,395	24'	Yes	Varies	15	\$.79 G	N/A	Sublease through 10/1/23. Class B.
7	801 Artesia Blvd., Compton Prologis (9/19) Occupied	120,000	10,000	22'	.45/3000	125'	12	\$.92 N	\$.219	Now available. Class B.
8	2015 W 190th St., Torrance JP Morgan (5/19) Vacant	127,740	88,000	13'-21'	Yes	Varies	0	TBD	N/A	Freeway frontage. Office building with 40,000 SF warehouse for sale. Class B.
9	4001 Worsham Ave., Bldg 16 Long Beach JP Morgan (6/16) Vacant	138,177	13,535	32'	Yes	140'	14	TBD	\$.25	New development. Large secured yard. Class A.
10	2820-2828 Butler Ave., Lynwood Private (6/18) Occupied	142,751	13,000	12'-22'	Yes	Varies	8	\$120.49	N/A	Short term leases in place. Older manufacturing buildings. Class C.
11	1055 Sandhill Ave., Carson General Mills (6/19) Occupied	158,595	20,000	TBD	Yes	Varies	15	TBD	N/A	Food processing facility. Heavy power and sewer credits. Class B.
12	1370 Victoria St., Carson Carson Companies (7/19) Occupied	180,549	16,160	32'	ESFR	182'	35	TBD	TBD	Direct lease subject to termination of existing lease. Lease expires 10/31/22. Also divisible to 103,000 SF. Class A.
13	601-615 W Walnut St., Compton Prologis (1/20) Occupied	200,000	8,000	22'	Yes	112'-135'	32	\$.96 G	N/A	Short term sublease through 12/31/20. Class B.
14	588 Crenshaw Blvd., Torrance Link (8/19) Occupied	265,418	15,000	42'	ESFR	185'	40	\$1.07 N	\$.18	High clearance warehouse distribution building. Class A.
15	19270 S Western Ave., Torrance Duetsche Bank (6/19) Occupied	370,641	18,091	30'	ESFR	150'	49	\$.99 N	\$.13	Available 4/1/20. Can be combined with 19600 Western Ave. Class A.
16	741 W Artesia Blvd., Compton JP Morgan (11/18) Vacant	381,811	15,000	24'	ESFR	130'	44	TBD	\$.15	Under significant refurbishment. Class B.
17	21900 S Wilmington Ave., Carson Alpert & Alpert (10/18) Vacant	412,000	12,260	36'	ESFR	185'	65	\$1.15 G	N/A	New construction. Divisible. Class A.

## UNDER CONSTRUCTION

	ADDRESS OWNER	SIZE	OFFICE	CEILING HEIGHT	SPKLR	YARD DEPTH	TH POS	RENT/ PRICE	N TO G (EST.)	COMMENTS
1	3200 E Burnett Ave., Long Beach Pacific Industrial (4/18)	111,752	16,195	32'	ESFR	140'	14	TBD	\$ .24	Estimated completion Q1 2020.
2	2100 W 195th St., Torrance JP Morgan (10/18)	146,919	10,000	32'	ESFR	145'	18	TBD	\$.255	Estimated completion Q1 2020.
3	13344 S Main St., Los Angeles Duke (10/18)	290,303	11,932	36'	ESFR	185'	32	TBD	TBD	Estimated completion Q2 2020.

## PLANNED

	ADDRESS OWNER	SIZE	OFFICE	CEILING HEIGHT	SPKLR	YARD DEPTH	TH POS	RENT/ PRICE	N TO G (EST.)	COMMENTS
1	Prairie Ave., Torrance Kearny (8/19)	100,530	BTS	36'	ESFR	TBD	TBD	TBD	TBD	Planned. Estimated completion Q4 2020.
2	Rosecrans Ave., County of LA Bridge (1/20)	100,952	BTS	36'	ESFR	130	12	TBD	TBD	Planned. Estimated completion Q1 2021.
3	Rosecrans Ave., County of LA Bridge (1/20)	108,621	BTS	36'	ESFR	138	15	TBD	TBD	Planned. Estimated completion Q1 2021.
4	Glenn Curtiss St., & Wilmington Ave., Carson Prologis (3/17)	120,540	BTS	32'	ESFR	135'	17	TBD	TBD	Planned. Estimated completion Q1 2021.
5	20850 S Normandie Ave., Torrance Bridge Development (3/18)	203,877	TBD	36'	ESFR	178'	21	TBD	TBD	Planned. Estimated completion Q1 2021.
6	19681 Pacific Gateway Drive, County of LA Black Creek (1/20)	227,000	BTS	36'	ESFR	185'	TBD	TBD	TBD	Planned. Estimated completion Q1 2021.
7	Prairie Ave., Torrance Kearny (8/19)	307,000	BTS	36'	ESFR	TBD	TBD	TBD	TBD	Planned. Estimated completion Q4 2020.
8	Glenn Curtiss St. & Wilmington Ave., Carson Prologis (3/17)	318,126	BTS	32'	ESFR	185'	43	TBD	TBD	Planned. Estimated completion Q1 2021.
9	E Artesia Blvd., Long Beach Bridge Development (2/19)	415,160	BTS	36'	ESFR	185'	53	TBD	TBD	Planned. Estimated completion Q4 2020.

# TKC IN THE NEWS

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## **ROOM & BOARD RENEWS LEASE FOR KEY DISTRIBUTION CENTER AT STORM BUSINESS PARK IN TORRANCE**

*The Klabin Company Negotiates Five-Year Transaction for 70,223 Square Feet on Behalf of Storm Properties, Inc.*

The Klabin Company/CORFAC International today announced it negotiated a lease renewal on behalf of Storm Properties, Inc. at the Storm Business Park, located at 1390 W. Storm Parkway in Torrance, Calif. The Klabin Company's Matthew Stringfellow, SIOR, and Courtney Bell represented Storm Properties in the five-year lease transaction for 70,223 square feet of space valued at more than \$4.6 million. The tenant, Room & Board, Inc., a leading designer of furniture, was represented by Cushman & Wakefield's Rooney Daschbach and Rusty Smith.

Room & Board is a privately held, national retailer of modern home furnishings based in Minneapolis, Minnesota with locations across the country. Since 1980, it's been providing extraordinary experiences for its customers in helping them create homes that reflect their lifestyles. The company creates exclusive contemporary furniture designs, expertly crafted in America to offer the best value in terms of quality, design longevity and environmental sustainability.

Room & Board will continue to utilize 1390 W. Storm Parkway as a key distribution center for its customers in Southern California.

"Built in 2009, this concrete tilt-up building features 18 dock-high positions, a spacious warehouse and 2,600 square feet of offices for the Room & Board workforce," said Stringfellow. "This is one of the largest industrial buildings in Storm Business Park and it will continue to serve the distribution needs of Room & Board. Storm Properties is thrilled to have them as a tenant for several more years."

Storm Business Park is a premier, master-planned business park encompassing approximately 500,000 square feet of industrial and corporate office facilities. This 40-acre site includes Class A industrial buildings that can accommodate tenants from 3,000 to 70,000 square feet. Located in Torrance, one and a half miles from the 110 freeway (10 minutes from ports of Los Angeles & Long Beach, and 15 minutes from LAX) Storm Business Park is designed to meet the needs of a wide range of industries, including warehousing, manufacturing, R&D, transportation, logistics and corporate services. *Continue reading this article on our blog\*.*

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\*For more of the most recent news and press releases at The Klabin Company, visit our blog at [www.klabin.com/blog](http://www.klabin.com/blog)



## **YASUSHI SHIROMI JOINS THE KLABIN COMPANY AS SENIOR VICE PRESIDENT**

*Commercial real estate industry veteran specializes in Pacific Rim clients, representing some of the most prominent Japanese companies in the South Bay market.*

The Klabin Company/CORFAC International today announced that Yasushi Shiromi, a commercial real estate industry veteran specializing in Pacific Rim clients, has joined the firm as a new senior vice president. Shiromi has focused on the Greater Southern California market for the past three decades and represents some of the most prominent Japanese companies in the region.

“We are delighted to welcome Yasushi to The Klabin Company family,” said Managing Principal Frank Schulz III, SIOR. “Yasushi’s experience, knowledge and energy serve as an example for all of us. He will be a tremendous asset as we continue to grow.”

Shiromi is widely recognized as a strategic consultant and a trusted advisor. As a commercial real estate broker, his almost 30-year career includes negotiating lease, sublease, purchase and sale transactions for clients such as Hotta Liesenberg Saito LLP, Mitsui Soko, Panasonic Disc Service Corporation, Pentel of America, Toyota Tsusho America Inc. and the Japan Business Association. *Continue reading about Yasushi on our blog\*.*



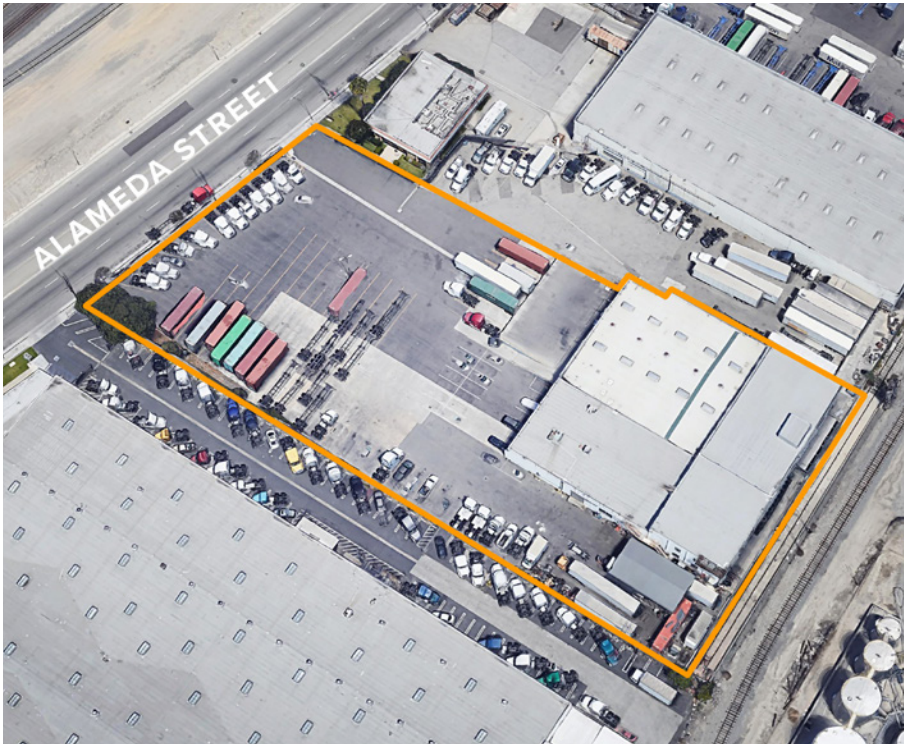
## **THE KLABIN COMPANY BROKERS SALE OF 59,996 SF INDUSTRIAL BUILDING IN COMPTON**

*Team of Klabin Principals Complete \$11.5 Million Transaction for Fully Leased Concrete Tilt-Up Building on Almost Three Acres of Land*

The Klabin Company/CORFAC International today announced it negotiated the \$11.5 million sale of a 59,996-square-foot industrial building at 750 W. Manville Street in Compton, Calif. The fully leased building is located on almost three acres of land and features seven dock-high loading positions, heavy power, 24’ clear height and more than 120,000 square feet of land. The Klabin Company’s Todd N. Taugner, SIOR, and Frank J.H. Schulz, SIOR, represented both the seller, High Street Realty Company, and the buyer, Rexford Industrial Realty, Inc. (NYSE: REXR) in the transaction.

“The industrial investment market in Los Angeles remains strong,” said Taugner. “In a land-constrained market, this building offered a unique opportunity for the buyer to secure in-place income with a long-term tenant on a desirable, well-located building. Rexford Industrial was the ideal buyer for this property and the seller could not be more pleased.” *Continue reading this article on our blog\*.*

# TKC IN THE NEWS



**THE KLABIN  
COMPANY  
BROKER  
SPOTLIGHT:  
MIKE  
OUELLETTE**

## **THE KLABIN COMPANY REPRESENTS FULL-SERVICE LOGISTICS PROVIDER MHX, LLC IN MULTI-YEAR SUBLEASE OF INDUSTRIAL BUILDING IN RANCHO DOMINGUEZ**

*MHX Signs Lease Commitment for 47 Months Valued at More Than \$3.3 Million*

The Klabin Company/CORFAC International today announced it negotiated a multi-year sublease for MHX, LLC at an industrial building located at 19530 S. Alameda Street in Rancho Dominguez, Calif.

The Klabin Company's Michael Ouellette and Todd Taugner represented MHX in the 47-month lease transaction for 30,000 square feet of space valued at more than \$3.3 million. MHX, a full-service logistics provider is subleasing the space from RoadEx America, Inc., a shipping and warehousing company. RoadEx America was represented by Casey Mungo with Daum Commercial Real Estate.

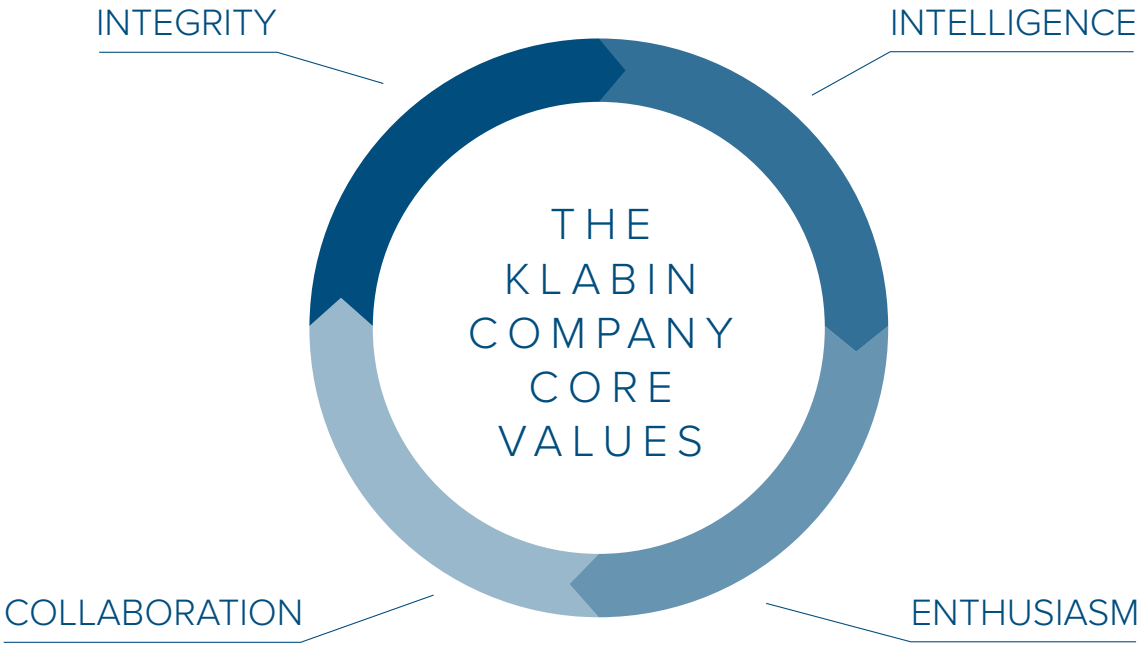
MHX is one of the premier providers of transload and transportation services in California, moving product for its customers via truck, rail or vessel. It has experience working with various commodities including structural cargo, consumer products, bulk freights and hazardous materials. It currently has a fleet of more than 60 flatbed trucks operating throughout California and specializes in transporting standard, overweight or over dimensional loads.

"MHX is rapidly expanding and is moving to a larger facility in the region where it can continue to serve its growing list of customers," said Ouellette. "MHX is gaining much needed additional warehouse space and the sublessor secures a quality company through the balance of their term, so all parties are very pleased." *Continue reading this article on our blog\*.*

Senior Associate Mike Ouellette grew up in a mid-sized town in British Columbia, Canada where learning to ice skate and play hockey at a very young age was a way of life for many kids. For Mike, it started at the age of four. With professional aspirations for as long as he can remember, Mike played competitively throughout his youth. He worked hard on and off the ice, excelling as much at academics as he did at hockey, and by the time he was 18, he was a highly regarded junior player recruited by colleges all over the U.S. He chose Dartmouth College, the Ivy League school in New Hampshire, where he was an All-American his senior year and still holds the record for most games ever played for the school's hockey team. After college, Mike's dream of playing professionally came true. He played for New York Rangers affiliated teams in Hartford, Connecticut and Charlotte, North Carolina. Then in 2010, he packed his bags for Europe where he enjoyed a successful career playing for teams in Croatia, Germany and Austria.

"As someone starting out in this highly competitive business, I hit the lottery when I joined The Klabin Company," said Mike. "I was immediately put into an environment to succeed, working alongside a dream team of people. This is a special place where the collaboration is unlike anything I've seen in the industry. By learning from three of the best in the business in David, Frank and Todd, I've been given more than I ever would have expected." *Continue reading about Mike on our blog\*.*

\* For more of the most recent news and press releases at The Klabin Company, visit our blog at [www.klabin.com/blog](http://www.klabin.com/blog)



## OUR STRENGTH / OUR PEOPLE

At the Klabin Company, the strength of our company stems from the strength of our people. We employ a highly respected team of real estate professionals who share our core values along with personal values of trust and hard work. In a world dominated by evolving technology, we never forget the human element.

We understand longstanding personal relationships, forged over decades of service, provide the key element in generating solutions or completing transactions. In a business based on brick and mortar, it's these strong human relationships that provide the most crucial bond to every deal.



A TRADITION OF TRUST

**THE KLABIN COMPANY**

COMMITTED TO **COLLABORATION**

COMMITTED TO **EXCELLENCE**

COMMITTED TO **SOLUTIONS**

COMMITTED TO **RESULTS**



**THE KLABIN COMPANY**

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