

O'Keefe Development Sells Centralia Distribution Center for \$195MM

December 16, 2019



(EDITOR'S NOTE: According to public records, the transaction price was \$195 million, or around \$170 per square foot, and the sale closed on December 6, 2019.)

Newmark Knight Frank (NKF) has announced the sale of a newly-constructed 1.15-million-square-foot food grade industrial dry warehouse and cooler/freezer distribution facility located at [4002 Galvin Road in Centralia, WA](#).

NKF Co-Head, U.S. [Capital Markets Kevin Shannon](#), Executive Managing Directors [Bret Hardy](#), [Jim Linn](#) and [Tim O'Keefe](#), along with Managing Director [Brad Burton](#) represented the seller, Centralia DC, LLC, in the sale to Exeter Property Group. The sale represents the largest single asset sale in the Pacific Northwest in 2019.

The project, situated on 77 acres, was recently completed by O’Keefe Development as a build-to-suit for UNFI on a new, 20-year lease term. The seller and O’Keefe Development are both owned by Tom T. O’Keefe. UNFI (NYSE: UNFI) is one of the largest food distributors in the country. The property features 606,795 square feet of dry warehouse/offices and 529,000 square feet of specialized, highly-efficient and computer-controlled cooler/freezer space. Additionally, there is a trucking maintenance and fueling facility.

“The UNFI Distribution Center is truly a state-of-the-art, 40-foot clear distribution facility,” said Tom T. O’Keefe.

“As its name indicates, Centralia provides a tremendous centralized distribution locale for logistics tenants like UNFI who are looking to more efficiently and effectively distribute products to customers from Portland to Seattle, and throughout the Pacific Northwest. This net leased property represents an ideal long-term hold for Exeter,” said Shannon.

Centralia is strategically located on the I-5 “logistics corridor”, with additional east/west support from US-12 and SR-6. The facility is between 85 and 90 miles of Seattle and Portland, providing ease of access throughout the entire region as well as direct connections to the ports of Seattle, Tacoma and Portland.

“The UNFI Distribution Center represents the culmination of a unique partnership between the owner/developer (O’Keefe), the original landowner and project lender, (Benaroya Capital Company and Benaroya Holdings), UNFI, the Port of Centralia, and the City of Centralia. The project allowed UNFI to consolidate multiple regional facilities and more cost-effectively distribute food throughout the region. For Exeter, this represents a wonderful opportunity to acquire a brand-new western region industrial building, which allows for significant future expansion, and with a tenant firmly committed to the region for the long-term,” added Hardy.

About Newmark Knight Frank

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