

JLL sells fully occupied industrial building in Tempe, Arizona



8210 S. Hardy Dr., Tempe,
AZ

Last mile facility garners a notable \$16.20M

PHOENIX, Arizona – Demand for last-mile facilities has garnered the [Phoenix office of JLL](#) a \$16.20 million sale price (\$127 price-per-square-foot) for a Tempe, Arizona infill industrial building that is fully leased by the world's largest express transportation company.

JLL Senior Vice Presidents Tivon Moffitt and Peter Bauman, and Executive Vice President Steve Larsen, represented the building seller, MRM Tempe LLC. The buyer was an out-of-state partnership involved in a 1031 exchange.

Located at 8210 S. Hardy Dr. – less than one mile east of Interstate 10 – the 128,000-square-foot building was constructed in the late 1990s as a built-to-suit project. It has remained 100 percent occupied by the same company since delivery.

“Strategic importance as a last-mile facility, combined with recent building improvements, historical occupancy and a prime infill location were all significant drivers for the economics

of this transaction,” said Moffitt.

“Last mile facilities remain in high demand,” added Bauman. “We continue to see cap rate compression for functional real estate, strong credit and long-term leases.”

According to JLL, strong and steady absorption has dropped the Valley’s industrial vacancy rate to a 10-year low of 6.7 percent. The Southeast Valley led that absorption during the second quarter as demand continues to rise for supply chain and e-commerce facilities.

“Data supports what we see on the ground, which is that the overall Phoenix industrial market continues to see strong absorption and rapid rent growth,” said Larsen. “That is especially true for in-demand markets like the Southeast Valley and infill locations like this Tempe facility.”