

From the Phoenix Business Journal:

<https://www.bizjournals.com/phoenix/news/2021/11/18/goodyear-crossing-industrial-leases.html>

National, global companies sign leases for upcoming West Valley project

Nov 18, 2021, 5:00am MST

A Goodyear industrial project developed by Phoenix-based ViaWest Group totaling 415,000 square feet landed two pre-leases with global and national companies before the project completed.

Called Goodyear Crossing Industrial Park, the project is comprised of three buildings that are 284,290 square feet, 68,154 square feet and 58,473 square feet on the southwest corner of Sarival Avenue and West Elwood Street. The project is expected to be completed by early 2022.

So far, Kentucky-based BC Recycling Asset Recovery Solutions has signed a lease for about 140,000 square feet, or half of one of the buildings. BC Recycling provides product acquisition, sorting and reporting services to minimize the impact of excess business inventories, according to its website.



PROVIDED BY VIAWEST GROUP

An artist's rendering shows one of the buildings at the Goodyear Crossings Industrial Park.

A second lease for 55,000 square feet was also recently signed by a Switzerland-based company called Georg Fischer, which is a “preferred partner” for the safe transport of liquids and gases, lightweight casting components and high-precision manufacturing technologies, according to the company.

Both facilities will be distribution facilities, according to ViaWest. BC Recycling is a high-end electronics recycler and a light assembly and disassembly processing and intake center, ViaWest Group said. Georg Fischer will be a distribution and warehouse facility.

New to the market

Both companies are new to the Phoenix market and will commence in early Q2 of next year, according to ViaWest Group.

ViaWest Group said it has active prospects looking at the rest of the space, which the company believes will be fully leased by 2022.

“We continue to see a complete saturation with new to the market, coming from other core markets such as California,” said Danny Plapp, director of leasing with ViaWest Group. “We’ve had an enormous amount of interest floating around and we continue to see interest.”

Due to factors like being “priced out” of California as well as labor shortages and supply chain issues, Plapp said companies are looking at spaces “well in advance” of their expirations.

“All the activity surpasses expectations, the market is absolutely on fire and we continue to be optimistic that that stays in place,” Plapp said. “Absorption continues to outpace deliveries and new product and with that and the interest coming from a lot of the new market tenants, we continue to be looked at as a core market.”

Strong activity continues

Don MacWilliam, executive vice president for Colliers in Phoenix, said getting out of the California market was what BC Recycling was focused on “first and foremost.”

“They’re coming from California and shutting down their operation and logistically it just makes 100% sense for them because they’re a returned goods or reverse logistics company for a lot the major retailers, clothing retailers here in town,” MacWilliam said.

MacWilliam said strong activity with tenants has accelerated in the past year and has steadily increased over the past three years. “The e-commerce has just continued to accelerate,” he said.

Don MacWilliam and Payson MacWilliam with Colliers in Phoenix represented BC Recycling in the deal.

As buildings go up, more leases are being signed across Phoenix metro, which had a record-setting net absorption of more than 18 million square feet year-to-date.

In the third quarter, the Phoenix-area vacancy rate was down 5.1% from 5.8% in the second quarter, according to Cushman & Wakefield’s industrial report. Vacancy decreased by 12.1% quarter-over-quarter and 32.3% year-over-year due to continued demand in e-commerce and supply chain sectors in Phoenix metro.

Audrey Jensen

Reporter

Phoenix Business Journal

