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Speculative warehouse under construction in Redlands



One of Southern California's largest industrial real estate developers has broken ground on a 616,542 square-foot industrial building in Redlands despite not having a tenant lined up for the property.

It is the first speculative industrial building to get underway in the Inland Empire since 2009, developer Watson Land Co. said.

After booming growth during much of the 2000s, in large part to accommodate a rising flow of goods from the ports of Los Angeles and Long Beach, many landlords in Riverside and San Bernardino counties found themselves with empty warehouses when the recession slowed retail sales and trade.

"The absorption rate for larger industrial buildings within the Inland Empire market has increased significantly in the past year," said Lance Ryan, Watson Land's vice president of marketing and leasing. "This has led to a supply constrained market for properties above 500,000 square feet, with continuing strong demand for new product among large corporate users and third party logistics companies."

The property is at 26635 Pioneer Ave. within Watson Commerce Center Redlands, near the 10 and 215 freeways. Construction is slated for completion in the fourth quarter of 2011.

Watson Land owns and operates more than 15 million square feet of industrial space throughout Southern California.

-- Roger Vincent