

10. Kessinger/Hunter Speculative Distribution Center

Kansas City Business Journal

In 2009, Kessinger/Hunter & Co. LC landed two key tenants for the largest speculative warehouse building ever constructed in the Kansas City area.

FedEx SmartPost signed a long-term lease in June for 126,000 square feet of the new building. **Bushnell Outdoor Products** signed a lease for 250,000 square feet of the building in September.

Dan Jensen, a principal with Kessinger/Hunter, said the company was willing to build the 600,000-square-foot distribution center without tenants because of the success of other large warehouse facilities in the area, such as those for Musician's Friend Inc., **Kimberly-Clark** and **Pacific Sunwear of California Inc.**

"With more business-to-consumer retailing under way, geographic proximity to population has become less sensitive to these bigger distribution centers," Jensen said. "Some other markets, such as Dallas and Chicago, are also becoming more congested. Mix in with that the intermodal investments going on nearby. All those things helped us put this together."

The building opened in January.

Jensen is working with a few prospects interested in the remaining 250,000 square feet.

"In the year since it's been built, we've achieved about 60 percent occupancy in one of the tougher markets any of us have seen," Jensen said. "So we feel our hypothesis has been proven. Our market is a large building market and there are users for those buildings."

Brad Cornell, director of business retention and expansion for the **Olathe Chamber of Commerce**, attributed the success to the high-quality product that Kessinger/Hunter built and a great location. He said it's near a new interchange that will open in the spring at Interstate 35 and Lone Elm Road, and it's only six miles from the proposed intermodal center in Edgerton.

"Success will breed more success," Cornell said. "There will be more warehouse opportunities in that area for us. The area is only going to continue to grow."

Kessinger/Hunter speculative distribution center

Size: 600,000 square feet

Location: 167th Street and Lone Elm Road in Olathe

Players: Kessinger/Hunter & Co. LC and Sun Life Financial Inc.

Tenants: FedEx SmartPost and Bushnell Outdoor Products

Description: Constructed on a 40-acre site, the building is designed for distribution and industrial activity. FedEx leased 126,000 square feet, and Bushnell leased 220,000 square feet. About 254,000 square feet of space still is available.



Dan Jensen

[View Larger](#)

James Dornbrook