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Griffin Acquires 300,800-SF Hopkins HQ

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By Robert Carr



Hopkins HQ

EMPORIA, KS—Griffin Capital Corp., based in Los Angeles, has acquired the Hopkins Manufacturing Corp. headquarters property here. The 320,800-square-foot property was appraised at \$8.6 million, and carries \$5.4 million in debt.

Griffin acquired the property through its GC Net Lease REIT Inc., a non-traded trust sponsored by Griffin. Emporia Partners donated the property in return for operating units in the trust.

Kevin Shields, president at Griffin, tells GlobeSt.com that the property was a good buy because of its single use by Hopkins. The manufacturer and distributor of towing and automotive products has used the site as a headquarters, manufacturing site and warehouse since 1954. "They've been in business a long time. Our mission is to acquire mission-critical properties, which a company has to maintain no matter the business climate," he says.

He says the acquisition capitalization rate of 9.86% offers the trust and investors a competitive risk-adjusted return. "The base lease term extends over 10 years, and the bond-type, triple-net lease structure, coupled with the fixed rental rate increases, provides the trust a dual measure of inflation protection," Shields says.

The company has continued to make inroads in the Midwest market, says Shields, himself a native of Chicago. The firm owns assets in Bolingbrook, IL and Naperville, IL as well as recently acquiring a 700,000-square-foot warehouse in Monee, IL. "There's a lot of interest in the Midwest distribution belt, it's such a deep market," Shields says.