

# RELEVANT EXPERIENCE

## CASE STUDY: Site Search on behalf of Huhtamaki NA Goodyear, AZ – 752,825 SF on 89.94 Acres

4320 S Cotton Lane, Goodyear, AZ

### Background

Huhtamaki, a Finland-based company, with North American headquarters in De Soto, KS, is a global food packaging specialist and their products include paper and plastic disposable tableware. With the addition of Goodyear, AZ, they now have 18 locations throughout North America.



### Requirement

Casual discussions regarding a new West Coast manufacturing location began in August of 2015. The requirement called for a building between 450,000 and 650,000 SF with rail, heavy power and a minimum of 19' clear ceiling heights. The initial thought was to target Southern CA for this location to supply their western markets with paper drink cups, insulated hot cups, food containers, pressed paperboard plates and thermoform plastic cups and lids. Huhtamaki's preference was to locate an existing building but was not opposed to building a new facility. As the project progressed, it was decided to expand the search area to include AZ and NV. Studies of available buildings were reviewed and updated in all areas under consideration. Resources of our brokers in the larger cities of the targeted areas and those of our Industrial Team which specializes in secondary and tertiary markets were employed and provided Huhtamaki with a complete overview of suitable buildings in the region.

Working closely with the Newmark Knight Frank Industrial Team, our Phoenix office quickly identified a logical candidate located in Goodyear, AZ., approximately 20 miles west of Phoenix. This was a 752,825 SF manufacturing facility owned by a CA-based investor that was fully leased at the time. Knowing of the property's availability and understanding two of the three tenants in the building were looking to terminate their leasehold interests was important and made the property a viable candidate. This unoccupied space in the building worked well for Huhtamaki's production layout and the building had all the required manufacturing amenities necessary for their operations.

It was apparent from the onset this was an excellent match for their need. The only issue would be the one remaining tenant in the facility with leasehold rights for another three years in a 150,000 sf portion of the building. It was determined Huhtamaki could utilize the facility with the tenant in place; enjoy the income associated with the lease and have built-in expansion once the tenant leaves the building.



### Completion

After a thorough investigation of the targeted markets, Huhtamaki decided to pursue the Goodyear, AZ facility and the transaction closed three months later. Huhtamaki will bring 300 new jobs to the area and an investment in excess of \$100,000,000.