

RELEVANT EXPERIENCE

CASE STUDY: Marketing and Disposition of a Distribution Facility
on behalf of American Commercial, Inc.
Charleston, SC – 849,850 SF on 81.63 Acres

Challenge

Given the highly specialized nature of the DC and the limited number of companies worldwide that would be the perfect fit, NKF's Industrial Team had to effectively identify and procure the perfect buyer. They sought a purchaser that could utilize the climate controlled facility, along with the 66,000 square feet of class "A" office space. The building featured a 75' clear high-bay racking area which supported a significant portion of the roof, as well as extensive computer operated material handling equipment. Since this property was so specialized the ideal user was, in essence, a needle-in-a-haystack type buyer.

Because the vast majority of initial prospects were investors, consideration was given to retrofitting the building in order to make a more generic warehouse space. The costs for such retrofitting were significant and would have greatly reduced the selling price.

Action

Together, Carolina Commercial and Newmark Knight Frank's Industrial Team undertook an extensive marketing program, including the creation of a dedicated marketing website. They left no stone unturned, focusing on port users, the Council of Logistics Management, SIOR and CCIM members and our international affiliates worldwide.

1908 Clements Ferry Rd., Charleston, SC



Result

The buyer, Gildan Activewear, turned out to be the ideal user for the building. Gildan was attracted to the location because of the proximity to the Charleston Port, the quality of the building and appeal of its physical attributes. The facility's racking and sortation equipment was a near-perfect match for the distribution of their casual wear products, which would be coming in from its off-shore production facilities.

The Team worked closely on the negotiations between the seller in France and the buyer in Canada. The match of local expertise, valuable relationships with local and state governments, along with the Team's marketing efforts, locally, regionally, nationally and internationally, created a milestone transaction.

Creativity and persistence were the hallmarks of the Team's effort. A bankruptcy filing by the seller first appeared to be a serious impediment to the sale. Ultimately, the bankruptcy issues were resolved, permitting the sale of the property to close in a timely manner.