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Atlanta developer, after landing big anchor tenant, to break ground on new industrial park in East Tampa

An Atlanta developer has landed a giant anchor tenant for a new industrial park in East Tampa and plans to begin construction by the end of the year.

McDonald Development, which acquired the nearly 70-acre site in 2015, has signed a deal with Bunzl, a large distributor, for 200,000 square feet in the 301 Business Center. Bunzl distributes everything from groceries to cleaning supplies.

The park is east of U.S. 301, between East Columbus Drive and East Broadway Avenue.

Three buildings will break ground in December, said Austin McDonald, chief operating officer of McDonald Development. The three buildings include a 144,500-square-foot front-loading warehouse and a 170,900-square-foot rear-loading warehouse. Bunzl's space is in the 341,800-square-foot cross-dock facility. (Cross docking is the loading of products from one trailer directly onto another.) There's also space for an eventual fourth building, which will be 206,400 square feet.

Debt and equity partners are in place for the first phase, though McDonald declined to identify them.

The 301 Business Center is a significant project for East Tampa. The vast majority of Tampa Bay's industrial development is concentrated in Lakeland and Polk City. Large sites like the park are difficult to come by in East Tampa, which is largely already built out with warehouses and industrial facilities. It's also breaking ground at a time when top-tier warehouse space in Tampa is extremely limited, with a vacancy rate below 2 percent.

Julia Rettig and Jessica Mizrahi, a team of brokers from Cushman & Wakefield of Florida Inc. in Tampa, represented McDonald in the Bunzl deal and are marketing the remaining space for the developer. Kostas Stoilas of Fortress Commercial Real Estate LLC in Tampa and Cameron Duff of NAI Heartland represented Bunzl in the lease transaction.

"There's pent up build in every building sector," Rettig said. "This product will capture a lot of these users without room to grow."

With the variety of warehouses, 301 will be able to accommodate a variety of users, from homebuilding supply companies to e-commerce operations, McDonald said. Last-mile delivery operations — a growing logistics sector as more companies strive for same- or two-day delivery — are also likely to land in the park, given its proximity to Tampa's population centers.

"What's happening with the last-mile guys is that they're taking [older, less functional] space because there's nothing else in the market, and they want infill sites," Rettig said. "And typically infill sites are going to be older products. We'll be able to deliver state-of-the art, Class A infill."



[COURTESY OF CUSHMAN & WAKEFIELD
Rendering of 301 Business Center]