



## ALL PART OF A MASTER PLAN

*McDonald Development Company specializes in master-planned industrial parks across the Southeast.*

Susan Fishman

Like most real estate developers, John McDonald knows that real estate is a competitive industry. That's why the founder of McDonald Development Company has chosen to specialize in high quality business parks, including both industrial distribution and single-story office buildings. Since 1992, the company has developed more than 7 million square feet of new distribution space at an approximate value of \$250 million, and currently has more than 1.4 million square feet under construction in Georgia and Florida.

Founded in 1988, McDonald Development Company is developing more than 1 million square feet, including build-to-suit facilities and multi-tenant industrial business park buildings, for delivery in 2004. Existing parks contain 35 McDonald Development buildings and numerous owner-occupied facilities totaling more than 8 million square feet with land available for future development of an additional 10 million square feet. Targeting sites in leading industrial markets in the Southeast, McDonald Development assembles large tracts of well-priced land and develops master-planned parks that are usually 50 to 400 acres. The company also finances, constructs, leases and manages its properties.

McDonald Development Company and McDonald Construction Services just completed the construction and development of The Simmons Company's 217,500-square-foot manufacturing and warehouse facility in Ware County, Georgia. The build-to-suit facility is located on a 40-acre site in the Waycross-Ware County Industrial Park bordered by the US-1 Highway. The mattress manufacturer relocated to the south Georgia region from Jacksonville, Florida. The facility has 15,000 square feet of office space and will employ 250 people in Waycross.

Another recently completed build-to-suit is a distribution center for BrandsMart, an appliance and electronics retailer that selected McDonald Development's South Park development in Clayton County to serve Georgia and other markets in the Southeast. The first phase of the building is

226,000 square feet, and the second and third phases will bring the total to 740,000 square feet.

These larger buildings are part of a trend in industrial development that has been going on for a while, says McDonald.

"Facilities are getting larger, and the logistics business has become a lot more sophisticated," he notes. "There are a lot of companies that lease 100,000 or 150,000 square feet, but there are many companies that are leasing 500,000 up to 1 million square feet now. They are moving product through these buildings at a rapid rate, and it's more cost effective to have these facilities in one location rather than in smaller facilities scattered throughout the Southeast."

Another one of the company's build-to-suits is a 317,000-square-foot building leased to Capital Cargo Inc., a local logistics company providing import and export container and cargo

services, in the Georgia Commerce Center (GCC) in Savannah, Georgia. The second phase of the development will be another 200,000-square-foot speculative building or build-to-suit facility.

The GCC is a new 515,000-square-foot distribution center located on Brampton Road directly opposite Gate 3 of the Container Yards of Port Savannah. It will soon be the busiest private distribution center at Georgia's busiest port. The GCC site will have unsurpassed access to the port and enjoys easy access to the Interstate system via Interstate 516, immediately south of the site.

"We look for property that is typically within a mile of the interstate system, because most of these are large buildings with a lot of logistics operations, so the closer you can be to the interstate system, the better," says McDonald.

Another thing McDonald Development looks for is proximity to



John McDonald

other companies.

"These companies get comfort from being around other companies, and that's why you want master-planned parks so you can put in multiple buildings," he says. "Our parks usually have anywhere from 3 million to 5 million square feet."

The third thing the company looks for is proximity to retail development for employee access to shopping, restaurants and amenities, which, ideally, enables companies to attract better employees.

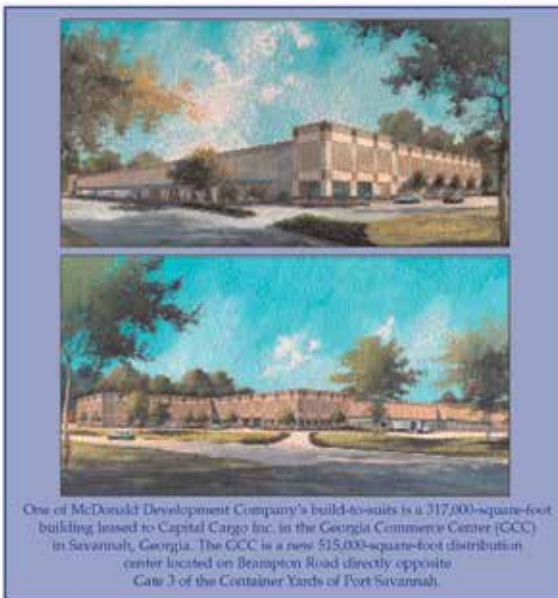
McDonald Development's client list includes Amazon, Corporate Express, Delta Air Lines, Federal Express, Honda, Porsche, Ryder Logistics, Quaker Oats and Whirlpool Corporation. The company is consistently ranked as one of Atlanta's top commercial developers by the *Atlanta Business Chronicle* and was voted "Top Developer" by the Georgia Chapter of the National Association of Industrial and Office Properties.

McDonald credits his experienced management team for the accolades.

"We focus on being prepared to respond to prospects quickly and with the highest level of skill and expertise," he says. "We understand the costs of these properties and we understand where they need to be located. If you don't have the costs right and the location right, you're not going to get the companies there."

McDonald says his goal is to take the expertise of the company and the executives within the company to other markets.

"The marketplace will tell me where that is," he says. "We're always searching and evaluating markets where a need is not being met." □



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