



SUCCESS STORY

HOME DEPOT SUPPLY



PROJECT

Distribution center site selection

LOCATION

Hagerstown, MD



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OBJECTIVE

Identify the optimal location for a 400,000 sq. ft. distribution center to accommodate this fast-growing distributor of plumbing supplies. The very fast-track requirement mandated an existing building, or a facility in the latter stages of construction. HD Supply's goals included:

- Close proximity to its customer base in the Northeast
- Low operating costs
- A building with significant expansion potential
- Client-defined labor union environment
- Excellent access to transportation infrastructure

CHALLENGES

Fast-track project, limited to consideration of existing buildings. Requirement for optimal client-defined labor union location with access to transportation infrastructure.

SOLUTION

Colliers Indsite® site selection optimization model was used to identify all locations that met the site selection requirements of HD Supply: the presence of a suitable existing building with expansion potential; optimal labor union environment; excellent interstate proximity; close to major markets; and low operating costs.

On-site inspections of each suitable option served as the basis for development of retrofit cost estimates, which were married with detailed operating cost projections to provide a complete picture of the capital requirements and operating cost expenditures HD Supply could expect.

VALUE ADDED



Completed entire scope in less than 6 months – Indsite® analysis, site search, cost projections and lease negotiations.



Negotiated 10-year \$25 million lease at 20% under market.



Negotiated \$10 million in free racking and conveyor for HD Supply.