



SUCCESS STORY

MACY'S, INC.



PROJECT

Distribution center acquisition

LOCATION

Chicago, IL



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OBJECTIVE

Procure a modern ± 650,000 square foot distribution facility to replace an aging multi-story, inner-city building that had become functionally obsolete and economically unfeasible to operate. Key criteria for the new facility included:

- Location within a prescribed travel time of the company's downtown Chicago flagship store
- Onsite parking for 250 trailers
- Building design suitable for highly automated MHE installation
- Expansion capability to ± 1 million square feet
- Strong preference to own vs. lease

CHALLENGES

Fast-track project designed to eliminate significant cost penalty of operating an obsolete facility. Non-disclosure of client's identity until deal fully negotiated to avoid disruption of existing operation. Candidate buildings in various stages of completion required careful analysis of design criteria to ensure valid comparison.

SOLUTION

Recognizing the client's need to act quickly, and to ensure efficiency in evaluating numerous options across several submarkets, Walker engaged a local market

resource to assist in screening candidate properties and coordinate site visits. Six properties were identified that fit the client's key criteria and due diligence was undertaken on all. Top 3 finalists were determined with pricing and terms established for each. Fully negotiated letter of intent was executed on first choice property within 90 days of project launch.

VALUE ADDED



Executed existed building search and acquisition in less than 100 days.



Due diligence and real estate negotiations managed by Colliers ensured back-up options remained in play during contract negotiations on the preferred property. When seller terminated negotiations to accept a higher offer from another party, Colliers was positioned to move quickly to an alternate property and successfully acquired the second option on very favorable terms.



Negotiated 10-year tax abatement on the final property.