

# HENRY FORD DISTRIBUTION CENTER

395,269 TOTAL SF • 100% LEASED TO 6 TENANTS • 3.6 YEARS WALT • 31% BELOW MARKET RENTS

 Hartsfield-Jackson  
Atlanta International Airport®

INTERSTATE  
75

Henry Ford  
Distribution Center

INTERSTATE  
285

ATLANTA • AIRPORT/SOUTH ATLANTA SUBMARKET

# THE OFFERING

Cushman & Wakefield's National Industrial Advisory Group is pleased to offer the opportunity to acquire **Henry Ford Distribution Center** (the "Property"), two highly functional infill logistics facilities totaling 395,269-SF located in Atlanta's preeminent Airport/South Atlanta submarket. The Property is well located adjacent to the convergence of I-75 and I-285 and only one mile away from the Hartsfield-Jackson Atlanta International Airport, offering best-in-market proximity to Atlanta's major transportation thoroughfares and rapidly expanding population of over 6 million residents, perfectly positioning these infill multi-tenant facilities to accommodate demand for "last-mile" and "last touch" locations.

Currently 100% leased to a diverse mix of six tenants with 3.6 years of weighted-average term remaining and in-place rents 31% below market, **Henry Ford Distribution Center** provides investors with secure cash flow and significant future near-term upside through mark-to-market opportunities upon lease expirations in an irreplaceable infill location proximate to all major Atlanta logistics drivers.



## PORTFOLIO AT A GLANCE

Address	SF	% Leased	# of Tenants	WALT <sup>(1)</sup>
Building 1	165,365	100%	3	3.1 years
Building 2	229,904	100%	3	4.1 years
<b>TOTAL / WTD Average</b>	<b>395,269</b>	<b>100%</b>	<b>6</b>	<b>3.6 years</b>

(1) As of 7/1/2023

# INVESTMENT HIGHLIGHTS

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## SECURE CASH FLOW WITH SIGNIFICANT NEAR-TERM UPSIDE

- » The Property is 100% leased to a diverse mix of six tenants with 3.6 years of weighted-average term remaining and a continuously staggered expiration schedule
- » Weighted-average in-place rents are 31% below market today, providing significant future upside through market-rate renewal options
- » Long term flexibility to accommodate a wide range of users with varying suite sizes perfectly scripted to Atlanta's deep roster of small and midsized industrial tenants

## IRREPLACEABLE ATLANTA AIRPORT INFILL LOCATION

- » Strategically located adjacent to the Hartsfield-Jackson Atlanta International Airport and just 0.75 miles from I-75 and 1.25 miles from I-285 providing unparalleled access to Atlanta's rapidly growing metro population of over 6 million residents that can be reached within a 60-minute drive time from the Property
- » Immediate access to major markets throughout the U.S. via I-75, I-285, I-85, & I-20 which are all located within 7.5 miles of the Property
- » Premier, highly sought-after labor force of over four million workers within a 45-minute drive time from the Property
- » Hartsfield-Jackson Atlanta International Airport retained its title of World's Busiest Airport in 2022, hosting 93.7 million passengers
- » The Property is located just 3 miles from the Hartsfield-Jackson Atlanta International Airport Cargo Terminal South, recognized as the 13th-largest air cargo hub in North America and 38th largest worldwide in 2022, with over 730,046 metric tons of air cargo and mail uplifted

## ACQUIRE CRITICAL MASS BELOW REPLACEMENT COST

- » Due to land constraints and cost prohibitive economics, Atlanta's current development cycle has consisted of almost entirely larger buildings concentrated in the outer Atlanta submarkets, allowing infill industrial assets to outperform the greater market
- » The acquisition basis for the Portfolio will be below replacement cost, offering investors a long-term competitive position

# ATLANTA: THE GROWTH ENGINE OF THE SOUTHEAST & ANCHOR OF THE SUNBELT



## A TOP 10 MSA BY NEARLY EVERY GROWTH CATEGORY

- » #1 State for Doing Business by Site Selection Magazine eight years in a row
- » #1 Major Market for Lowest Cost of Living for Large MSAs
- » #3 MSA for Fortune 500 Headquarters
- » 2.7% Current unemployment rate outpaces the national average by 80 bps
- » #4 Largest population growth since 2010
- » #8 Largest U.S. MSA by population
- » #10 Largest U.S. Economy by GDP

## #4 LARGEST U.S. INDUSTRIAL MARKET



- » With a current inventory of over 697 MSF, Atlanta ranks as the #4 largest industrial market in the U.S. and is a major business, logistics, and transportation hub serving its population of over 6M people as well as the broader Southeast/Sunbelt region

## #3 MARKET IN U.S. FOR INDUSTRIAL ABSORPTION



- » More space was absorbed in Atlanta in Q4 2022 - 9.2 MSF - than any other market in the country driving the annual Atlanta total to 29.4 MSF
- » Atlanta also achieved the #3 absorption ranking in 2022 at 29.4 SF, topping Chicago, PA I-81, Phoenix, and the Inland Empire

## ALL-TIME RECORD LOW INDUSTRIAL VACANCY RATE



- » 3.0% direct overall industrial vacancy rate as of Q4 2022, well below the national average of 3.3%
- » #1 market for lowest vacancy amongst its immediate peer markets: Chicago (3.9%), Dallas (3.8%), Phoenix (4.6%)

# ATLANTA: THE GROWTH ENGINE OF THE SOUTHEAST & ANCHOR OF THE SUNBELT

## ACCELERATING ATLANTA RENT GROWTH



- » 25% YOY rent for the overall Atlanta industrial market as of Q4 2022, building on 2021's record of 29% YOY growth
- » The Airport/South Atlanta submarket recorded an astonishing 42.2% YOY rent growth as of Q4 2022
- » In-term lease escalations have moved to 3.5-4.0%, ensuring strong cash flow growth for investors

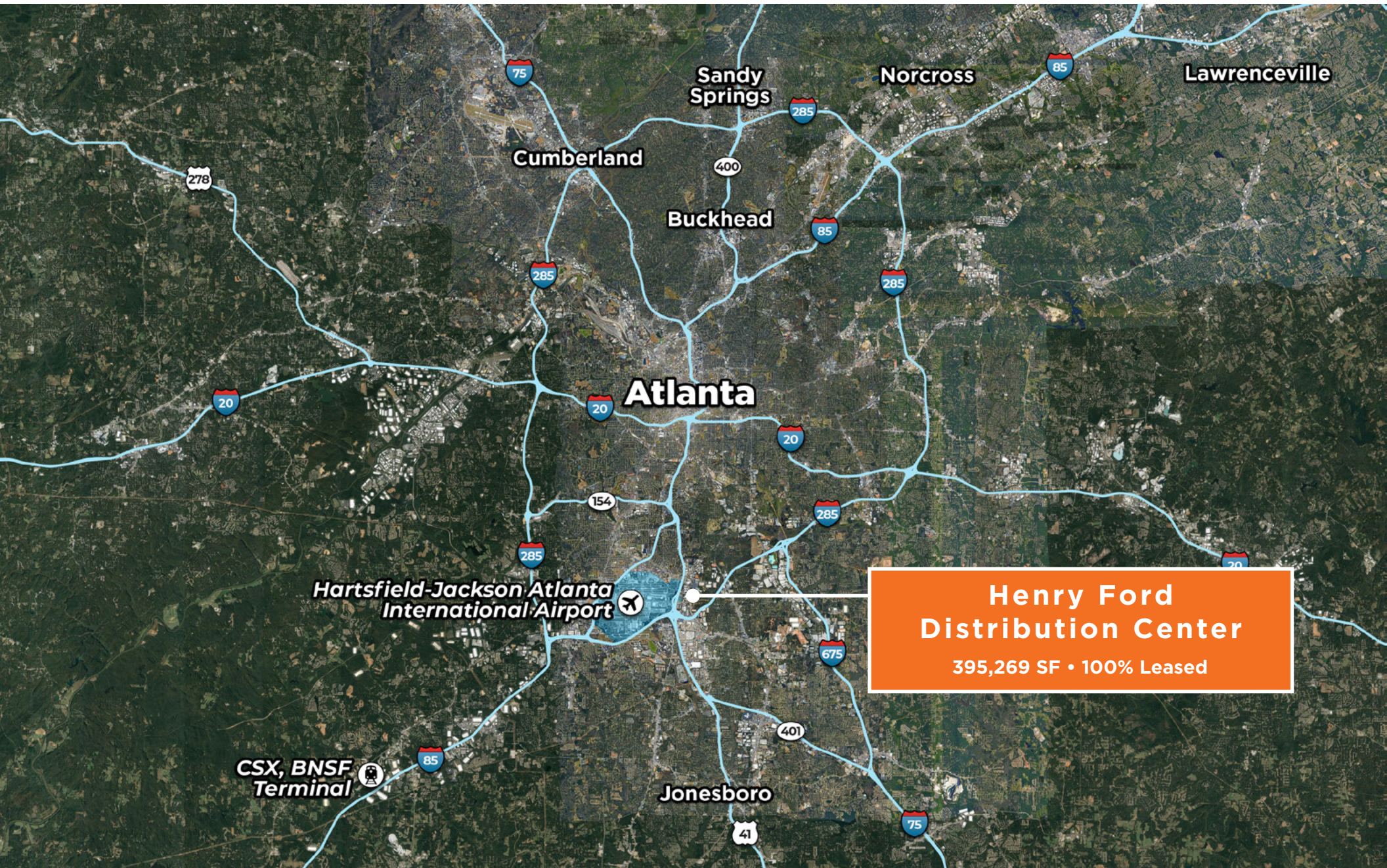
## LAND & ECONOMIC BARRIERS CONSTRICT INDUSTRIAL DEVELOPMENT



- » Infill land sites for industrial developments are scarce and encumbered by prohibitive zoning regulations
- » Developing the few remaining infill land sites as small-bay infill industrial is all but impossible due to competition from residential developers who can pay a premium for the sites
- » As a result, small-bay rental rates have seen a consistent 30-40%+ rent premium over the Atlanta industrial average since 2012, a spread which continues to accelerate



# PREMIER INFILL AIRPORT / SOUTH ATLANTA LOCATION



**Henry Ford  
Distribution Center**  
395,269 SF • 100% Leased

# PROXIMATE TO MAJOR ATLANTA DEMAND DRIVERS

LOCATION	DISTANCE
I-75	0.75 miles / 2 minutes
I-285	1.25 miles / 4 minutes
Hartsfield-Jackson International Airport	1.5 miles / 4 minutes
I-85	2.5 miles / 6 minutes
I-20	7.5 miles / 11 minutes



# CLASS A LOGISTICS FACILITIES

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