



GARLAND – CASE STUDY *Commercial / Distribution / Cold Storage / Garland, TX*

OPPORTUNITY

Originally built as a Safeway distribution center, Garland Logistics Park consists of four distribution and two refrigerated warehouses totaling over 1.1M square feet. The business park is situated near three major inter-states in one of Dallas-Fort Worth’s largest industrial submarkets. Its strategic infill location, large 61-acre site, and adjacent railroad access made it an attractive property for a multi-tenant distribution center.

SOLUTION

Westmount acquired the property in 2012 at 68% occupancy. At acquisition, most existing tenants were in the food and beverage industry with the largest tenant being NFI, a third-party logistics provider servicing Kraft Foods. Westmount focused on improving the tenant profile at the property by signing credit-worthy tenants to long-term leases of 10-15+ years. In three years, Westmount increased the occupancy from 68% to 92%, negotiated new leases directly with Kraft Foods and other major tenants, and put over \$3,000,000 into tenant improvements. In 2015, Westmount successfully completed the recapitalization of the asset and continued as the GP with a new equity partner. Based on our experience with a similar cold storage and distribution facility in Charlotte, NC, we believed the property had further potential for value creation. Between 2016-2020, Westmount completed several special projects including a cold storage conversion and a roof raise. In total, Westmount executed over \$37,000,000 in capital projects for tenants throughout the ownership of the property.

TAKEAWAY

Westmount demonstrated its foresight of the surge in demand of cold storage space and last-mile distribution. The 2020 COVID-19 pandemic boosted demand for cold storage industrial space, and this ultimately prompted Westmount and its equity partner to fully realize the investment.



1.1M TOTAL SQUARE FEET



8 YEARS HELD



OF BUILDINGS

3.67x

PROJECT MULTIPLE

33%

PROJECT LEVEL IRR