

# Baltimore Sun

## Three leases settled in Aberdeen, Perryman total 1.5 million square feet, 400 new full-time jobs



A 600,000-square-foot building – expandable to 700,000 square feet - will be built on Woodley Road in Aberdeen to serve as the East Coast distribution facility for The Container Store. (Courtesy MRP Industrial)

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Three new leases, totaling more than 1.5 million square feet of industrial/distribution space, with three companies in Harford County are expected to eventually add as many as 400 new full-time jobs.

Two of the transactions with MRP Industrial were concluded at Eastgate 95, a 250-acre logistics park on Woodley Road in Aberdeen, with the third at a site on Advantage Avenue in Perryman. MRP Industrial is a full-service, privately-held commercial real estate development and investment company headquartered in Baltimore.

“We welcome these new members of our business community and appreciate the growth and continued investment companies are making in Harford County,” Harford County Executive Barry Glassman said in a news release announcing the leases. “The 400 new, living wage jobs

that are expected as a result of these projects are a testament that major companies are increasingly attracted by Harford County's highly skilled workforce, pro-business environment and outstanding quality of life. As we continue to grow these economic opportunities, we look forward to the next groundbreaking at Eastgate."

Kuehne + Nagel, one of the world's leading logistics providers, signed a full building lease for 656,880 square feet of warehousing and distribution space at 1100 Woodley Road at Eastgate 95. The facility will be operational in September and is expected to generate about 225 jobs. With more than 1,300 offices in 100 countries, Kuehne + Nagel provides seafreight, airfreight, contract logistics and overland transportation solutions to a variety of key industry sectors, including retail, automotive, aerospace, pharma and more.



Kuehne + Nagel, one of the world's leading logistics providers, signed a full building lease for 656,880 square feet of warehousing and distribution space at 1100 Woodley Road at Eastgate 95 in Aberdeen. (Courtesy MRP Industrial / Baltimore Sun)

On the adjacent 67-acre site, MRP will construct a 600,000-square-foot building – expandable to 700,000 square feet - to serve as the East Coast distribution facility for The Container Store, the only national specialty retail chain devoted solely to storage and organizational products. The retailer plans to hire approximately 150 employees as it ramps up in 2019. The Container Store has been listed on Fortune's 100 Best Companies to Work For list for the past 19 years.

The third tenant, PrimeSource, a national building products company that distributes building materials internationally, signed a 250,000-square-foot lease for a new building to be constructed at 505 Advantage Ave. MRP is constructing the building, which will accommodate the tenant's requirement for 3 acres of outside storage and provide loading on two sides of the building. The company intends to relocate from its location in Aberdeen early next year.

“Each company, after completing a multi-state/county real estate search, recognized the tremendous business advantages of establishing or maintaining a presence in Harford County. County officials played a significant role in the approval and permitting process as well as assisting with labor recruitment,” Lisa A. Goodwin, senior vice president of MRP Industrial, said. “The demand for high quality and strategically-located industrial/distribution space remains at an all-time high throughout the Mid-Atlantic region and the Interstate 95 corridor. These requirements are specifically taking the form of end-users needing one- or two-day delivery access to major population centers, including the Baltimore-Washington, D.C. market, to support the delivery expectations of the American consumer. With e-commerce retail sales approaching 10 percent of all retail sales, we expect the continuation of these requirements in the foreseeable future.”

This recent activity has prompted MRP Industrial to move forward with the development of Phase II of Eastgate 95, comprising just over one million square feet of speculative industrial/distribution space. Construction of this new space is expected to commence in spring 2019, with delivery scheduled for late next year. At 1500 Woodley Road, the building will feature 36-foot clear heights, 242 dock doors and four grade level doors. Parking will be available for 450 vehicles and 300 trucks. The building will also be equipped with expansive truck courts to support the movement of large tractor trailers in addition to trailer storage capacity.



PrimeSource, a national building products company that distributes building materials internationally, signed a lease for 250,000 square feet for a new building to be constructed at 505 Advantage Avenue in Perryman (Courtesy MRP Industrial / Baltimore Sun)

Eastgate 95 was designed to support three buildings comprising approximately 2.25 million square feet. The property provided a variety of development options ranging from 600,000 to 1.5

million square feet with flexible trailer storage and auto parking spaces, thus allowing the development team to appeal to a wide variety of the bulk industrial user requirements in the region. The project is approximately 30 miles north of Baltimore, 34 miles from the Port of Baltimore, 70 miles south of Philadelphia and 160 miles from New York City. It is also two miles along the AMTRAK line and within close proximity to Interstate 95 and Aberdeen Proving Ground. Approximately 40 percent of the population in the United States can be accessed within a single-day truck drive.

“Sustained activity occurring within the industrial and warehouse sector over the past several years has provided us great confidence to speculatively develop an additional one million square feet of space in Harford County,” D. Reid Townsend, founding principal of MRP Industrial, said. “Our philosophy is to remain ahead of the demand curve and maintain a constant availability of inventory to meet emerging real estate requirements. We have designed this site and the buildings to be highly-flexible to satisfy the needs of logistics, manufacturing operations and warehousing uses.”

According to research published by CBRE last month, the availability rate for industrial real estate in the United States declined for the 32<sup>nd</sup> straight quarter, falling 10 basis points in the recent second quarter, with overall vacancy falling to 7.2 percent, representing the lowest total since 2000. The report also concluded that the demand for warehouse, industrial and distribution space continues to outpace supply.

The Baltimore-Washington, D.C., region is considered the fourth largest MSA in the country with more than 10 million people in the Combined Statistical Area. Several major seaports are within close proximity to Eastgate, including Baltimore, Philadelphia and Wilmington.

CBRE is handling marketing and leasing for Eastgate 95 on an exclusive basis with Bill Pellington leading the assignment. Pellington and Townsend represented the landlord on all three transactions. Mike Elardo and Toby Mink, of CBRE, along with Sean Fitzsimmons from Real Estate Advisory Partners (REAP) and Michael Kimmel, of Cushman & Wakefield, represented the three tenants.