



General Motors

Having already reduced costs and improved productivity, the world's largest automaker further upped efficiencies by decentralizing its parts distribution network — and did it without interrupting ongoing operations.

The Challenge

Seeking to transition its parts delivery operation out of large distribution centers and into smaller, more efficient facilities, General Motors engaged First Industrial Realty Trust to help redeploy — and monetize — four of its existing warehouses while the replacement structures were being built.

Our Approach

First Industrial's team concluded the best course of action was to package the sale of the four existing distribution centers in four separate states — facilities ranging in size from 360,000 to 562,560 s.f. — into one large transaction, and structure a leaseback arrangement that would allow the carmaker to continue to occupy all four buildings in the short-term under a single, flexible lease.

Putting the pedal to the metal, the team got the deal done in record time — in 30 days conducting due diligence, preparing pricing recommendations and assembling the players required to execute a multi-market transaction involving separate properties in Pennsylvania, Illinois, Nevada and California.

The Outcome

In under a month, the venerable car maker had in place a flexible bridge solution to its evolving supply chain realignment, one that kept its existing distribution centers operational — and unlocked capital trapped in nearly two million s.f. of industrial real estate assets.

Development
Acquisition
Multi-Market
→ **Sale Leaseback**



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