



FOR THE EXCLUSIVE USE OF
BJOHNSON@THEWILBERTGROUP.COM

From the Atlanta Business Chronicle:

<https://www.bizjournals.com/atlanta/news/2021/07/14/new-distribution-centers-on-atlantas-southside.html>

South Atlanta distribution center project reflects record demand

Jul 14, 2021, 6:14pm EDT

A 1.3-million-square-foot expansion of a massive Forest Park distribution center reflects record demand for warehouse space across Atlanta — the country's hottest industrial real estate market.

Robinson Weeks Partners recently broke ground on the new facilities at Gillem Logistics Center, which already houses distribution centers for Kroger, [HD Supply](#), XPO, Cummins, Kuehne + Nagel, Kalera and others.

The e-commerce boom and emphasis on creating a [more reliable supply chain](#) have generated intense, immediate [demand for warehouses and distribution centers](#).

“Particularly today, you just need to have a building underway or standing. It’s such an active market right now that they need to have the space available to move in right away,” said [David Welch](#), president and CEO at Atlanta-based Robinson Weeks.



ROBINSON WEEKS PARTNERS

This rendering shows Gillem 1100, a 900,000 square-foot distribution facility under construction at the Gillem Logistics Center in Forest Park. Robinson Weeks Partners broke ground on the building as demand continues to soar for industrial space in Atlanta.

Construction has started on both buildings. The first is 900,000 square feet and is planned to be completed by the end of the year. The second will be more than 375,000 square feet and will be finished by the first quarter.

“These larger buildings closer in are very high in demand and hard to find,” Welch said.

Gillem Logistics has more than 8 million square feet of industrial space and these buildings are the seventh industrial development at the project over the last six years. Demand has accelerated following the pandemic-driven surge in e-commerce.

The supply chain used to be thought of as a cost to be minimized. Now, it's "how companies are trying to separate themselves from others,” Welch said.

The Southside is the nucleus of storage facilities in Atlanta's logistics network. Located a few miles from all the major interstates, including I-675, Gillem Logistics provides access to both local and regional routes, proximity to Hartsfield Jackson International Airport and the city's population base.

The expansion reflects the growing demand for warehouses, distribution centers and fulfillment centers across the metro area.

The Atlanta market saw the highest level of absorption in the U.S. during the last 12 months, according to market analytics provider CoStar. Retailers and logistics companies helped occupy 31 million additional square feet of industrial space this past year.

“We've done as much absorption in Atlanta during the first half of the year as we typically do in a whole year,” Welch said. “We don't see that slowing down.”

Developers such as Robinson Weeks continue to chase that demand with more than 25 million square feet of industrial space under construction. The firm has selected Cushman & Wakefield to oversee leasing and marketing operations for the newest phase of Gillem Logistics.

Grace Donnelly

Reporter

Atlanta Business Chronicle

