
FOR THE EXCLUSIVE USE OF ROBERT@IVCA.BIZ

From the Tampa Bay Business Journal:

<https://www.bizjournals.com/tampabay/news/2023/04/12/hunt-midwest-ocala-industrial-park.html>

SUBSCRIBER CONTENT:

Exclusive: Kansas City Chiefs owners break ground on 1.4M-square-foot Ocala industrial park

Apr 12, 2023, 7:08am EDT

The owners of the Kansas City Chiefs have partnered with an Ocala developer to break ground on their first venture in Florida — a 1.4-million-square-foot industrial park three miles from Interstate 75.

Hunt Midwest, controlled by the Chiefs' Lamart Hunt family, and Ocala-based Boyd-Mox are developing Ocala South Logistics Park on a 93-acre parcel within Florida Crossroads Commerce Park. The first phase, a speculative 251,511-square-foot rear-load building, began construction in March.

Rian Smith, Kris Courier and Josh Tarkow of CBRE's Tampa office are marketing the project for lease. Atlanta-based Evans General Contractor is building the park, and LS3P designed it.

Ocala South will offer spaces as small as 50,000 square feet — noteworthy in Ocala,

where the industrial market has been driven by big-box users in the 700,000-square-foot-plus category for the last several years. As an example, Ocala South is adjacent to a 1.5-million-square-foot distribution center for Dollar Tree. Amazon, FedEx, Chewy and AutoZone all have large distribution centers in Ocala.

“There’s a real lack of ability in the market to serve users as small as 50,000 square feet,” Tony Borchers, vice president of acquisitions and development at Hunt Midwest, told the Tampa Bay Business Journal. “Our plan is to get the bull’s-eye on the demand that exists right now.”

Borchers said the development team has flexibility in how it distributes the remaining 1.1 million square feet beyond the first phase. Future phases can accommodate a custom-built campus as large as 555,000 square feet.



HUNT MIDWEST

“As we dug into Ocala and saw the truck traffic and amount of labor — it really checked a lot of boxes for us,” Borchers said.

Hunt Midwest has been expanding in the Southeast in recent years, Borchers said, and had been looking for opportunities in the Sunshine State. Robert Richter, principal at Boyd-Mox, said CBRE’s Smith introduced the two firms.

“This project will help fill a void as a rear-load industrial product is difficult to find along Interstate 75 and near the Florida Turnpike,” Smith, a senior vice president with CBRE, said in a statement. “In fact, the only other recent rear-load project in Ocala is also a project we teamed with by Boyd-Mox on, and it is nearing full occupancy. Users looking for Class A product would realistically have to travel down toward Tampa to find the next competitive rear-load product.”

Hunt Midwest is still looking for acquisitions, Borchers said, and has noticed a slight shift in the market in recent months.

“It’s cooled some, but it’s not falling off a cliff,” he said. “We’re starting to get into situations where we can get more reasonable diligence periods, where before sellers had every bit of control from a pricing and timing standpoint. The depth of the buyer pool may not be as deep as it once was.”

The 93 acres Ocala South spans would be nearly impossible to assemble along the Interstate 4 corridor, Richter said. Building a 1.4-million-square-foot park from the ground up, with smaller tenants at the forefront, allows the developers to create a more corporate environment than most smaller parks in Ocala offer.

“Ocala has been often thought of as a manufacturing and big-box market,” Richter said, “but it has outstanding connectivity similar to what you’d see in an I-4 project.”

The first building in Ocala South should be complete by year’s end.



Ashley Gurbal Kritzer

Real Estate Editor - *Tampa Bay Business Journal*