



Camso USA, Inc. : From Old and Tired Space to State-Of-The-Art Industrial Warehouse

“When Lane introduced David to me, he said David was very capable. As we met and started to work together, I quickly respected and agreed with David’s judgement, and came to rely on him throughout the whole process. It went very well and was surprisingly easy to work with this building owner. In past warehouse deals I’ve had some really nasty run-ins with a few landlords. This deal was the opposite: the landlord was so open, transparent and easy to work with. Overall, I appreciated David’s professionalism, easy going style and sense of humor from the beginning!”

*– Baldwin Hickey,
Warehouse and Transport
Director - Americas
Camso USA, Inc.*

Challenges:

Camso USA Inc, one of North America’s largest distributors of off-the-road vehicle rubber tires and tracks, was nearing the end of their 12-year lease of 354,000 square feet in an old, rehabbed, low ceiling manufacturing facility in Joliet, Illinois. As a recently acquired subsidiary of Michelin, they required a higher image, functional and high-ceiling property for their largest U. S. warehouse. They also needed an independent real estate professional with enough experience, market knowledge and relationships to achieve their goals. Through referring broker Lane Holbert, SIOR (the esteemed Society of Industrial and Office Realtors) of Foundry Commercial in Charlotte, NC, Merit Partners and David Liebman, SIOR, JD, were introduced to and retained by Camso for their relocation project.

Actions:

David began a comprehensive Q&A with the client to establish their specific requirements. David then drafted for client review an in-depth Letter of Intent (LOI) to submit to prospective landlords. Utilizing his deep market knowledge, David then conducted a focused property search resulting in a list of available warehouses in the 250,000 - 300,000 square-foot range to fulfill Camso’s requirements. An initial list of 22 properties dwindled to just five, in part due to Camso’s location and labor needs. After two client tours of these properties, a short list of three properties resulted. LOI’s were submitted, and in-depth negotiations commenced with those landlords.

Results:

Utilizing his longstanding relationships with SIOR brokers on the other side of the table, his legal background and familiarity with lease terms and provisions, David assisted the Camso team to pursue the new speculative building on the shortlist of properties. David also helped generate solid rapport with the prospective landlord, eager to make a deal on the year-old speculative building, which further solidified the negotiations. The final lease included:

1. A 64-month term including four months of upfront gross free rent and a renewal option at the same escalated lease rate;
2. A combined package of rent abatement, a \$350,000 cash moving allowance, \$609,000 in above-standard TI costs paid by the landlord, and other incentives, for total additional monetary benefits to Camso in excess of \$1,156,000; and
3. A new state-of-the-art warehouse building, meeting Michelin’s exacting warehouse standards.



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