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Winn-Dixie's distribution hub for sale

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Charlotte's largest vacant industrial space -- the 1.1 million-square-foot [Winn-Dixie Stores Inc.](#) warehouse -- is said to be for sale, following the grocer's decision to close its stores in the Carolinas.

The sprawling complex, parts of which date to 1973, is owned by Jacksonville, Fla.-based Winn-Dixie with New York investor [Zurich Financial Services](#).

The 52-acre tract is at 125200 General Drive, on the southwestern edge of the county. The land and buildings are assessed for tax purposes at almost \$26.6 million, property records show.

Officials at Zurich Financial and Winn-Dixie did not respond to inquiries seeking comment. But real estate sources say the warehouse site is being marketed for sale as part of Winn-Dixie's bankruptcy reorganization.

In June, the supermarket chain announced plans to close 326 stores, including 37 in the Charlotte region, as part of an extensive effort to slash its costs.

When the store closings were announced, the company acknowledged plans to close the distribution center, which had 275 employees. The company also is shutting down distribution centers in Atlanta and Greenville, S.C., along with part of a distribution operation in Montgomery, Ala.

Market watchers say the prospective local sale presents an interesting opportunity.

Charlotte has 10.7 million square feet of vacant distribution space among a total inventory of about 130 million, says Jeff Edge, Charlotte Chamber vice president of industrial development. "So Winn-Dixie has about 10% of what's available. That's a big chunk."

The local market's vacant space is spread among 258 buildings, few of which exceed 100,000 square feet. The second-largest available building is a 259,000-square-foot former Deere & Co. facility in Nations West Business Park at Nations Ford Road and Westinghouse Boulevard, Edge says.

It's doubtful a single user will need the entire Winn-Dixie complex, says Lester Osborn, a specialist in industrial real estate at Piedmont Properties. He notes the warehouse includes specialized features such as refrigeration and freezing compartments.

A likely scenario, Osborn says, is that an investor will buy the property and subdivide it as multitenant space.

"You could have 10, 100,000-square-foot tenants," he says. "It would be cool for one investor or developer to control that kind of space."

Not all the space is going to meet the demands of the modern warehouse user, says Frank Warren, president of real estate consulting firm Warren & Associates.

"But it's got good access to the interstates, road frontage and would lend itself well to being subdivided," he says.

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