



## **Securing Industrial Success Despite Dealing with the Worst Recession**

### **EBS Case Study: Procyon Distribution Center, Las Vegas, NV**

From April 2009 to May 2010, EBS was engaged by Johnson Development Ventures to entitle, construct and market a best-in-class 121,875-square-foot Industrial / Warehouse Distribution Center for its tenant Deutsche Bank / Cosmopolitan Hotel Resort and Casino.

#### **Challenge**

- The Owner sought to entitle, construct, and market a Class A industrial building that was truly best in class in terms of building specifications and project location despite breaking ground in the middle of the worst recession since the Great Depression in perhaps the hardest hit City, Las Vegas.

#### **Solution**

- In response, EBS assembled a world-class team of Southern California designers, known for its cutting-edge warehouse distribution facilities, to develop a world-class distribution facility in the heart of the best industrial submarket in the City.
- The team worked through EBS to entitle the property through Clark County in less than three months, and then immediately broke ground.
- When the building was delivered to the market the economy was in shambles, the housing market was a mess, the tourism industry had plummeted, and the industrial vacancy rates had skyrocketed to over 15%.
- Due to the Class A design and location of the development, the building was quickly absorbed despite going to market during the worst possible timeframe. Deutsche Bank, a Fortune 500 Company, chose the property to house all of its warehouse and cold storage needs for its resort and casino The Cosmopolitan.



## **Results**

- This was the only transaction completed in the Valley over 100,000 square feet that year, and at a very good lease rate.
- The project was delivered on schedule and nearly \$1 million under budget. It was also nominated for Industrial Building of the Year by NAIOP's Las Vegas chapter. The building was first runner up out of a deep pool of applicants.