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## Chesapeake Real Estate Group Begins Demolition Activities On Former Sun Products Manufacturing Facility

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**Chesapeake Real Estate Group, LLC (CREG)** has initiated demolition activities for a portion of the former **Sun Products facility**, that the Baltimore-based commercial real estate operating company acquired this spring. Contained on nearly 47 acres at 5300 Holabird Avenue in Baltimore City, CREG intends to demolish five separate buildings comprising more than 600,000 square feet of space. In its place, CREG intends to develop two new buildings, totaling up to 550,000 square feet of new warehouse and distribution product.



Five buildings, containing more than 600,000 square feet of space, will be demolished and replaced with up to 550,000 square feet of new warehouse and distribution product.

**CREG** also intends to retrofit an existing 500,000 square foot distribution building that caters to tenants and buyers interested in the site's proximity to the Port of Baltimore and Interstate 95. USAA Real Estate Company is the investment partner in the project.

Phase I will entail repositioning the existing 500,000 square foot building with state-of-the art features such as new lighting, heat, loading and a new roof. Phase II will include the construction of a new Class "A" single-story cross-dock industrial and warehouse building featuring approximately 400,000 square feet of space. Phase III calls for the construction of a second Class "A" industrial and warehouse building containing approximately 100,000 square feet of space.

"Since acquiring this parcel and existing buildings in April, our team has generated a tremendous amount of interest from end-users that are attracted to this one-of-a-kind site with directly proximity to major transportation axes," explained **Jim Lighthizer**, Founder and Owner of Chesapeake Real Estate Group. "We are focused on executing our development plan and making this project site-ready as quickly as possible to respond to the e-commerce and warehouse/manufacturing demand.

The demolition phase is expected to be completed by December of this year.. Chesapeake Real Estate Group estimates beginning construction of the new buildings shortly thereafter, with an approximate delivery date of summer 2016.

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According to various reports, the e-commerce industry is expanding nationally by the rate of 15 to 20% annually in response to consumers' "want it now" mentality. The new standard of e-commerce warehouse buildings specifies 40 foot clear ceiling heights, abundant employee parking and reinforced concrete flooring to handle the weight of conveyor systems. All of these elements will be engineered into the new buildings.

**Chesapeake Real Estate Group, LLC**, headquartered in Baltimore, Maryland is a full-service commercial real estate operating company that includes brokerage, property management and development services. The firm currently has more than two million square feet of industrial projects under construction in the Mid-Atlantic region. Notable projects include Penn 95 in Prince George's County, Baltimore Crossroads in White Marsh, and Perryman Logistics Center in Harford County. For more information visit [www.cregllc.com](http://www.cregllc.com)

**USAA Real Estate Company** is a San Antonio, Texas-based company that currently controls more than \$12 billion in assets including office and medical office buildings, industrial projects, multi-family, retail and hotel properties. The company provides co-investment asset management services to U.S. pension funds, as well as to foreign and institutional investors.