

# Mizuno USA

## Atlanta, GA

**Jim Bob Taylor and Michael Bennett**  
New Lease, Building Acquisition, Disposition



4925 Avalon Ridge Pky | 138,055 SF | Disposition

920 Hwy 124 | 520,000 SF | New Lease



3155 Northwoods Pky | 40,000 SF | Acquisition



### Client Objectives

Mizuno USA aimed to find a solution for their rapidly expanding golf products as well as an expanded distribution center.

### Results

Cresa identified a 520,000 SF building just outside of Mizuno's geographic parameters that was able to house both the 100,000 SF golf club manufacturing/assembly department and the 300,000 SF distribution center. Cresa also identified a build-to-suit site that was within the geographic area. Having these 2 options, Cresa was able to leverage the 2 options. As part of our negotiations and as a condition to enter into a new long term lease, Cresa convinced the new owner to reimburse Mizuno for the Termination Fee, which was paid to cancel the lease on the existing 300,000 SF distribution center - thus eliminating the last three (3) years of lease obligation at no cost - which equated to savings in excess of \$410,000. Once the build-to-suit was negotiated, the lease details on the existing building were compared to the build-to-suit numbers. Considering the existing building's lease rate, concessions, and square footage phase-in, the savings totaled roughly \$6,000,000.

In parallel with the negotiations of the facility to house the golf club manufacturing/assembly and distribution center, Cresa determined that Mizuno's objectives of renovating their existing 138,000 SF Peachtree Corners facility would not be the preferred option based on buildout cost and underutilization of the warehouse assembly area. Adding an additional 20,000 SF of office space to the building would not be well received if Mizuno wanted to sell the facility in the future. A design concept to enhance the interior and exterior of the building achieved the solution Mizuno was looking for without adding additional office space to the building. A staging/sequence plan was developed to complete the renovations while minimizing disruption within the occupied space. By continuing to utilize this building to house its U.S. headquarters, Mizuno was able to avoid taking on other unneeded lease expenses.

After a couple of years Mizuno determined that the HQ building was underutilized. Mizuno requested that Cresa provide solutions that would realize the highest value and best use of the existing facility. Based on market information and the industrial warehouse market for owner occupied building at their highest values, the time to sell the close in facility was now. Also, the office market had softened, and office building values were low in the Peachtree Corners area.

Cresa was able to locate a 40,000 SF office building in the desired location that met all of Mizuno's office building requirements. This included staying in the Peachtree Corners area, 40,000 SF with 5,000 SF of warehouse space, and 4/1 parking ratio. Timing was critical due to the market conditions and vacating the HQ space. Cresa put a marketing disposition plan into action and was able to get multiple offers on the facility from purchasers at the desired price in the middle of the COVID-19 pandemic.