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The most qualified design-build partner for successful industrial warehouse development - by Parker Snyder

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Parker Snyder

As growth continues at a staggering rate, entering the industrial market for the first time is becoming less risky and more advantageous for traditional commercial office, retail, and hospitality developers.

Because industrial developments have the potential to be especially challenging, partnering with the right contractor is essential for success. For commercial developers entering the industrial market, ARCO offers the experience and expertise needed for a seamless design and construction process. Our comprehensive preconstruction and site selection services, building specifications expertise, value engineering and design flexibility, and knowledge of end-user needs ensure that potential issues are addressed in a project's earliest stages and results in the most cost-effective and functional final product.

A Booming Industrial Market

End-users, especially e-commerce retailers, seeking to expand their distribution networks nationwide in response to consumer online shopping trends and same-day delivery expectations sparked major growth of the industrial market over the past year. While this consumer-driven demand was onset by the COVID-19 pandemic, it is not expected to slow down anytime soon. In fact, in addition to reporting record high absorption rates over the past 12 months, CBRE expects growth to continue for the next 5 to 10 years.

Additionally, developers are securing tenants more and more quickly. While 50% of industrial developments are still constructed on a speculative basis, most are leased prior to completion.

Site Selection & Feasibility Analysis

Site selection is becoming increasingly critical in the industrial facility development process. In addition to growing demand, many end-users are seeking prime location sites to meet next day delivery expectations. This has made challenging sites the new norm, with brownfields being transformed into distribution hubs and industrial developments taking place near urban areas.

ARCO's site feasibility services empower developer clients to select the very best site for their facility. By providing site specific cost information prior to construction, we help avoid unforeseen schedule delays or cost increases that could negatively affect lease rates and tenant occupancy.

Design & Construction Specifications

Floor systems, exterior wall types, structure, bay sizing, building systems, and site design are all elements that should be explored in the earliest stages of an industrial project to ensure the most functional and cost-effective facility.

Space utilization, pre-existing site conditions, schedule needs, and more can all play a role in determining the most advantageous option for each of these elements. ARCO is actively engaged throughout the design and beginning stages of a project to ensure the very best design and construction decisions are made. This essentially eliminates unforeseen issues and costly change orders that could affect lease rates once construction begins

Value Engineering & Design Flexibility

As demand for logistics space with potential to accommodate a variety of end-users increases, design flexibility is more important than ever. By choosing to add incremental costs into a speculative build, developers can create a facility with potentially higher returns and increased marketability to a broader range of clientele. Well informed upgrades can also decrease costs on tenant retrofits and increase speed to market.

For build-to-suit developments, designs that accommodate future growth and capacity increases are beneficial for end-users, especially those interested in incorporating future automation and technology. Adjusting initial designs for future technology, equipment, and automation upgrades will be more cost-effective and help eliminate operations interruptions.

ARCO's ability to offer value-engineering solutions and design flexibility results in cost savings, as well as increased marketability. Because our experience spans all industry types, we understand the unique needs of end-users from pharmaceutical, to manufacturing, cold storage, consumer packaged goods, and everything in-between.

E-commerce Experience & Expertise

For commercial developers seeking to enter the industrial market, it is important to understand the unique needs of e-commerce tenants, as they continue to play a major role in industry growth. Prime location, adequate space for automation, and speed to market should all be considered when developing a facility for e-commerce tenants. Difficult sites and accelerated schedules are the new norm as e-commerce retailers look to expand their distribution networks quickly and build in prime locations that may not be conducive to industrial development.

While meeting the needs of e-commerce end-users can seem overwhelming, they can be overcome by partnering with an experienced contractor. Because our design-build process allows for challenges to be addressed early on and increases speed to market, our developer partners, as well as end-user clients, repeatedly count on ARCO to deliver their most difficult e-commerce projects.

Partnering with the Right Contractor

ARCO's design-build approach allows us to determine construction costs significantly earlier than the traditional design-bid-build method. By working directly with the architect to ensure feasibility and design efficiency, all decisions can be made with full knowledge of their impact on cost and schedule at a much earlier date. This combined with our expert proposal delivery and national buying power allows pricing to be locked in and key materials to be secured immediately upon execution of a letter of authorization, mitigating risk and saving valuable schedule time.

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