



Rust-Oleum Corp.

Requiring a facility that would consolidate two warehouses and leave ample room to grow, this worldwide leader in protective paints and coatings overcame obstacles to build a flexible distribution center — and a better bottom line.

The Challenge

When Rust-Oleum wanted to build a massive new distribution center to store its aerosol and brush paints, it turned to First Industrial Realty Trust for a unique build-to-suit solution — one that involved navigating a highly complex permitting process that meant the difference of millions of dollars in building code costs.

Our Approach

First Industrial provided Rust-Oleum with a rare and sizable parcel of land in the tight Southeastern Wisconsin submarket, situating the company along major trucking route I-94 in Kenosha — just 2.5 miles from Rust-Oleum's Midwest plant. A 600,000 s.f. facility expandable to 850,000 s.f. was designed to give the company the flexibility to accommodate a possible supply chain reconfiguration.

Working hand-in-hand with Rust-Oleum to meet a critical move-in deadline, First Industrial leveraged its local relationships to secure tax-increment financing for infrastructure costs. Moreover, the team worked with all levels of government to obtain a fire code variance for storage of flammable and combustible paints — saving the company significant fire-proofing expense.

The Outcome

Having engaged a provider known for creative problem-solving, Rust-Oleum benefited from a TIF that lowered its lease rate and gained a DC that will enable it to close outmoded facilities, immediately increase capacity by 40 percent and ensure faster, more efficient delivery of its famous paints to retailers nationwide.

Development

Acquisition
Multi-Market
Sale Leaseback



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