

## **New HD Supply headquarters a big move for expanding company**

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HD Supply wanted a change.

The company had been expanding for more than a year in its current home, Cumberland Center II, where it was one of several tenants in a 17-story building overlooking Interstate 75 and the Perimeter.

Now, the company is relocating to a nearly \$100 million headquarters at I-75 and Cumberland Boulevard. It gives HD Supply a much different setting, where its brand has more visibility over the interstate and more of its employees can “interact and collaborate spontaneously,” said William Stengel, senior vice president of strategic business development and investor relations.

An important feature is the leadership development center, the company’s take on what others might call an R&D center, he said.

The building is meant to become a nexus where departments such as sales, merchandising and information technology can intersect. “This is not going to be an ivory tower type of a headquarters,” Stengel said. “We think of it as a central node.”

The region’s economic recovery, especially the resurgence in homebuilding, has been a big boost for HD Supply Holdings Inc. (NASDAQ: HDS), the giant distributor of such things as electrical and lighting, plumbing appliances, and kitchen and bath cabinets. The headquarters will allow the company to add 500 jobs over the next five years, the governor’s office announced March 10.

The expansion is also big win for Atlanta real estate company Greenstone Properties, which is developing the 222,000-square-foot project on its more than 5-acre site at Interstate 75 and Cumberland Boulevard. Since 2014, the site was referred to as Encore Center, which is part of a rejuvenated Cumberland district with several large projects underway.

Other Cumberland area projects include:

- SunTrust Park and its interwoven mixed-use project Battery Atlanta. It's been said the Atlanta Braves are taking 30 years worth of development in the Galleria and squeezing it into 30 years.
- Synovus Financial Corp., (NYSE: SNV) which is anchoring a new mid-rise office development that will bring 300 Bank of North Georgia employees to Cobb.
- Highwoods Properties Inc. (NYSE: HIW) and Atlanta developer Seven Oaks Co., which are building Riverwood 200. Accounting firm Bennett Thrasher LLP is the anchor tenant.

The developments signal more capital spending and job growth in the corporate world, which could spark more office projects this year. The metro region is expected to add at least 70,000 jobs in 2016, economists say.

For Greenstone, the new headquarters is its first major Atlanta office development in about eight years, when it finished a 14-story building in Sandy Springs for Newell Rubbermaid Inc. Greenstone, led by managing principals De Little and Chris Schoen, secured the Cumberland site in 2014, when it saw the first signs of a new development cycle picking up.

HD Supply and Greenstone struck a letter of intent this past December. Chris Scott, with Greenstone, helped spearhead the final agreement.

The headquarters could break ground this summer with a goal to complete the project by February 2018, Little said.

HD Supply was represented in leasing negotiations by Douglas Biggs, Jeff Kelley, Drew Levine and Darren Ross with the Atlanta office of real estate services firm Colliers International. Architect Wakefield Beasley & Associates is designing the headquarters. Shell McElroy is the general contractor.