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Dermody Properties Breaks Ground on 898,560 Square Feet for Wayfair, Inc.

Cincinnati, Ohio – Dermody Properties, a national industrial development and operating company headquartered in Reno, Nev., and Hillwood Investment Properties recently broke ground on an 898,560-square-foot facility for Wayfair Inc. (NYSE:W), one of the world’s largest online destinations for home furnishings and décor.

The groundbreaking took place at 1600 Donaldson Rd. in Erlanger, Ky., adjacent to the Cincinnati/Northern Kentucky International Airport (CVG).

The new facility, known as LogistiCenterSM at 275, will complement Wayfair’s current fulfillment center in Hebron, allowing the company to increase its distribution capacity. Wayfair currently employs more than 200 people in its Hebron facility and looks forward to creating additional jobs in northern Kentucky to staff its new fulfillment center.

“Northern Kentucky is an optimal location for our new operations facility, which will allow us to increase our distribution capacity to support the rapid growth of our business,” noted Nicholas Malone, chief administrative officer, Wayfair. “We are pleased to expand our footprint in the region and look forward to creating local jobs as we continue to build our fulfillment and service teams in northern Kentucky. Our state-of-the-art facility and access to a strong talent pool will help us meet our commitment of delivering the best possible home goods shopping experience for our customers.”

LogistiCenterSM at 275 is one of the largest single developments by square footage in the history of Dermody Properties. It is the company’s first development in the northern Kentucky market but its third in state - the company recently developed two industrial facilities in the Louisville market.

“Dermody Properties is highly focused on markets where e-commerce is a sustainable demand driver,” said Douglas A. Kiersey, Jr., President, Dermody Properties. “Wayfair is an excellent example of our target customer segment. We are excited to have broken ground on the new fulfillment center and now turn our focus to ensuring a seamless transition into the facility for Wayfair and its team.”

Cushman & Wakefield served as the tenant broker, representing Wayfair. Paul Hemmer Company is the general contractor on the project.

Upon completion, LogistiCenterSM at 275 will feature 36’ clear height and energy efficient lighting and roof systems. Although representatives from Wayfair, Dermody Properties, Hillwood, CVG, and the northern Kentucky community came together to celebrate the groundbreaking on October 13, construction on the project is already underway. Site utilities are nearly complete, floor slabs are 25 percent complete and the construction team is starting to form the exterior walls. Construction is expected to be complete in the second quarter of 2016.

Hillwood Investment Properties is Dermody Properties’ strategic financial partner on the project. This is the second joint venture for Dermody Properties and Hillwood.

“We’re pleased to partner with Dermody Properties on the new fulfillment center that will allow Wayfair to expand its distribution capacity and create jobs,” said Chris Brown, Senior Vice President, Joint Ventures for Hillwood Investment Properties.



Dermody Properties and Hillwood leased the 52-acre site from CVG earlier this year.

"CVG is a premier location for development. We are excited to work with Dermody Properties to complete the 900,000-square-foot facility. We look forward to welcoming Wayfair to the family of businesses operating at CVG," said Candace McGraw, chief executive officer, Cincinnati/Northern Kentucky International Airport. "We are eager to see the completion of this state-of-the-art facility and future opportunities for development."

About Dermody Properties

Dermody Properties is a privately held, industrial real estate development company. Founded and headquartered in Reno, Nev., the company has a national development reach, served by its regional offices in Chicago, Northern New Jersey, Phoenix, and Seattle. Over its 50-year history, the company has developed and leased more than 45 million square feet of high quality facilities to many Fortune 500 companies and other well-respected firms. To learn more about Dermody Properties visit www.Dermody.com.

About Wayfair

Wayfair Inc. offers an extensive selection of home furnishings and décor across all styles and price points. The Wayfair family of brands includes:

- *Wayfair.com, an online destination for all things home*
- *Joss & Main, an online flash sales site offering inspiring home design daily*
- *AllModern, a go-to online source for modern design*
- *DwellStudio, a design house for fashion-forward modern furnishings*
- *Birch Lane, a collection of classic furnishings and timeless home décor*

Wayfair is headquartered in Boston, Massachusetts, with additional locations in New York, Utah, Kentucky, Ireland, U.K. and Germany.

About Hillwood Investment Properties

Hillwood Investment Properties, a Perot company, is one of the world's premier commercial real estate developers, investors and advisors of high-quality real estate properties that provide a significant economic impact to their region. Serving 20 markets in the U.S., Canada, Germany and Poland, the company is actively involved in development, acquisitions, construction, leasing and management of high quality, well located, flexible and functional industrial properties. For additional information, please visit www.hillwoodinvestmentproperties.com or www.hillwood.com.

About CVG

Cincinnati/Northern Kentucky International Airport (CVG) offers more nonstop flights than any airport in the region, including direct international service to Paris, Toronto, Cancun, Montego Bay and Punta Cana. CVGairport.com is your travel planning resource with flight status, security wait times, parking availability and weather.

CVG is one of three global super-hubs for DHL, and a top 10 cargo airport in North America. CVG has been rated the Best Regional Airport in North America five straight years by SkyTrax. CVG was the first airport in the country to receive Safety Act Designation and Certification from the Department of Homeland Security (DHS), giving the airport the highest level of protections under the Act.