

Real Estate  
**NEW JERSEY**

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## Drug Distributor Leases 211,000 SF

The H.D. Smith Co. has signed a lease for 211,000 sf of office and warehouse space in phase one of Saw Mill Park in Kearny. The park is currently being developed on spec by Russo Development of Hackensack. The terms of the lease were not disclosed.

"We are pleased to be able to accommodate H.D. Smith's continued growth," says Ed Russo, president and COO of Russo Development. He terms the deal, "one of the largest industrial leases signed in

Northern New Jersey during the past several years," in a market where most of the big-box leases happen further south along the Turnpike. Russo also credits the Town of Kearny and the New Jersey Meadowlands Commission as being "instrumental in getting this project done."

H.D. Smith, a Springfield, IL-based company described as one of the largest privately held national wholesale drug distributors in



Russo: "Continued growth."

the country, is already a Russo tenant, occupying 138,000 sf at the developer's 410 Commerce Blvd. building in Carlstadt. According to Harvey Tanenbaum, vice president of business development for H.D. Smith, the company will use the expanded location to house its Northeast regional warehousing and distribution operations, as well as its regional

office operations. Besides the Garden State, the company has distribution centers in California, Illinois, Texas and Florida.

"It became clear that we were rapidly outgrowing the capacity of our current distribution center, which required us to relocate to a larger facility," Tanenbaum says.

The building, for which the developer started construction in the spring of 2004 on a spec basis as the first phase of Saw Mill Park, is ready to be fitted out for H.D. Smith, according to Russo. The tenant is expected to take occupancy in March 2006. Besides H.D. Smith's building, phase two of the 25-acre Saw Mill Park will consist of up to 250,000 sf of industrial/flex space. The yet-to-be-developed portion of the site can accommodate building layouts to support space requirements from 25,000 sf to the full 250,000 feet.

H.D. Smith distributes a line of branded and generic pharmaceuticals, OTC/HBC, home healthcare products, surgical supplies, seasonal merchandise and marketing programs to retail, managed care and government pharmacies.