Raising The Roof

Sky’s The Limit In Repurposing Aging, Low-Ceilinged Warehouses

Hoisting Ceilings Lifts Leasing Possibilities For Old Industrial Properties

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It’s no longer just a formerly fly hip-hop phrase. Now, owners of industrial properties are raising the roofs of their once-obsolete, low-ceilinged warehouses and gaining new tenants as a result.

What was once considered an almost exotic move, one that carries significant costs, is increasingly becoming a step that industrial landlords are considering as a way to creatively adapt out-of-date properties into sought-after homes for today’s tenants.

The measure certainly isn’t for the faint of heart. A company that specializes in roof raising will arrive with large hydraulic machines that end up welded to the columns holding up the roof. The columns are cut and the entire roof is lifted to the desired height with the load on the columns transferred to the lifting mechanisms. Then, workers will splice in or replace the columns in the same locations and remove the machines. And voila, your 16-foot, functionally obsolete building is now ready for use as a modern distribution center or other use.

But it’s not cheap, and the smaller the roof, the less likely it is that the numbers will support raising the roof. Marty Shiff, president of Rooflifters, a firm based in Toronto, Canada, that specializes in these projects, said a roof raising in a building with just 10,000 square feet of roof would likely cost $30 a square foot. But that old 100,000-square-foot manufacturing facility that you’ve been just waiting to lease and could if you had higher ceilings? That roof will cost just $15 a foot to raise.

And while those may sound like daunting numbers to justify for some landlords, for others, it could be a game changer, attracting new tenants that would otherwise have been uninterested in a property deemed obsolete, said Mark Duclos, managing director at Hartford’s Sentry Commercial Real Estate. He pointed to the old General Motors plant in Bristol, which Gm vacated in the mid-1990s. Then, after Shiff’s firm raised the roof on the property from 16 feet to 30 feet, Clark Steel signed on for 250,000 square feet of space, space the company “would never have gone into” without the roof raising, Duclos said. He added that industrial property owners are constantly evaluating their properties to decide if roof raising makes sense.

To wit, Shiff said his firm is currently in negotiations for or eyeing several projects in the Nutmeg State, but said it is too early to discuss them in detail.

Sounds Of Silence

But raising the roof isn’t the only solution landlords can look to when trying to creatively reuse an old warehouse.

Equity Industrial Partners, in Needham, Mass., purchased 9 Northeastern Blvd. in Salem, N.H. – a 670,000-square-foot, vacant manufacturing property, in 2010. Within 18 months, the property was 85 percent leased and tenants are continuing to absorb space, said Thomas Farrelly, executive director for Cushman & Wakefield.

One firm, a call center, wanted to use the space but didn’t know how it could work with so much echoing ceiling height above. So, the landlord installed sound-deafening materials, known as cloud ceilings, to deaden any sounds. That was all the call center needed to make them sign on the dotted line.

“You’re seeing more of it as a trend across New England,” Farrelly said. “It’s a whole niche market that’s cropped up for the companies that do the work. In the past people would just tear the bldg down. A lot of older buildings have drawbacks to how they were constructed. For smaller buildings it can become cost prohibitive. But if a property is 100,000 square feet or larger, it seems to pencil out quite nicely.”