

CASE STUDY: SELLER REPRESENTATION



"The listing of this building had a lot of uncertainty and parties involved. We knew we had to hire a knowledgeable 'get it done broker' in order to have all players satisfied at the end of the day. Terry helped us accomplish our goal and we would not hesitate to use him with other projects in Northeast Ohio."

- David Elson, President,
Neyer Management



300,000 SF

Industrial Space
(Former Manufacturing Plant)

**ACAS Real Estate
Holding Company**

**Navigating
Special Servicers**

OUR JOB

Lease the building at a price acceptable to the special servicer that took over after the original owner went into receivership with Neyer Management.

CHALLENGE

An outdated manufacturing plant combined with the presence of a special servicer in the deal made potential buyers and tenants nervous...or in the mood to price gouge us. The building was originally built for Cotton Club Soda as a bottling manufacturing plant. Varying ceiling heights, multiple demising walls, minimal docks for the large size were only a few of the hurdles that made the disposition challenging for the team. To make matters even more tricky, the plant was located in a largely residential area.

SOLUTION

Open up to the possibility of selling the property, leveraging the interest from mid-range tenants. Multiple users were interested in the building at the beginning of the listing period. But when potential tenants heard the word "special servicer," many worried about the complexity of a lease or demanded huge discounts on their rent. However, Terry was obligated to lease or sell the building at a market price to gain approval from the servicer.

RESULT

Success. Emboldened by the high demand from mid-size users, Terry approached a large local developer/owner regarding their interest in purchasing the building to make the investment to multi-tenant the building. Because of strong interest in tenancy by mid-range users, Terry was able to sell the entire building to Premier Development Partners. The promising revenue streams from potential tenants empowered Terry and Neyer to negotiate from a position of strength with Premier. They closed quickly on the building, getting very near the asking price

"We leveraged the interest of mid-range tenants into interest from a buyer willing to pay market rates for the building...as long as the promise of good tenants was in the offering. Sometimes you have to go the extra mile to get a great deal for your client, which in this case was the special servicer." - Terry Coyne