



Midfirst Bank

1695, 1705–1715 Indian Wood Circle, Maumee, Ohio

Challenge

We were asked to take this largely vacant REO office building portfolio to market for sale in the depths of the recession in 2010. Office properties in tertiary markets were perhaps the least favored asset class at the time. Our bank clients were patient sellers and had a lofty price objective. Our initial wave of marketing produced a very thin pool of prospective buyers, none of whom were willing to pay at the level our client required

Solution

Fortunately, the demand for office space from tenants remained fairly strong and our colleague, Mike Poulos, who handled project leasing, worked closely with the property owner to land several large tenants for the property. We worked closely with Mike and the owners to assure that new leases had the maximum positive impact on the value of the building and our ability to sell. As leasing gained momentum, we were able to engage an ever larger pool of prospective buyers with subsequent marketing pushes. Fortunately, we were also able to attract prospective buyers from well outside of the immediate market. We were now able to tell a positive story about a building in a strong sub market experiencing good demand but short on space. This ultimately led to the ultimate buyer who became sold on the market, the building and the timing. The buyer was from Canada, illustrating the reach of our marketing but also adding some wrinkles to the deal. We were able to keep the buyer engaged for an extended period of time while several new leases were concluded. In mid 2012 the buyer agreed to meet the seller's price if we achieved his target for occupancy. When the target was reached, he moved forward with his purchase.

Results

While the process was protracted and took longer than envisioned at the outset, the outcome was very positive for our client. We helped stem a far larger loss with our integrated service delivery. The seller achieved their price and the buyer purchased what they feel is an outstanding asset at a fair price. The buyer was so impressed with the job that we did for the prior owner that they retained us to manage and lease the project under their ownership.

Client Testimonial

"Thank you very much for your hard work over the last several years. We really enjoyed working with you. It was a great team effort and we appreciate your guidance and patience. This sale was a great outcome compared to where this asset was 3 ½ years ago."
Chris Burson, First Vice President, Midfirst Bank

"A big part of our decision was you and Mike..."
Ray Massa, Arrowhead Toledo Properties, LP.