



Rudolph Libbe Properties 3335 Meijer Drive, Toledo, Ohio 43560

Quick Facts

- 15,111 SF
- Investment
- Class A Office
- Multi Tenant

Challenge

In July 2014, the Reichle Klein Group was approached by the real estate development arm of Rudolph Libbe, a National commercial construction firm, regarding possible disposition of multi-tenant office properties within their local portfolio. After months of discussion, focus turned to an income producing suburban property populated with both professional and medical tenants. The subject property possessed multiple positive attributes including location, quality of construction, relative age, and steady income. The property did however have one pronounced challenge in that it contained three second floor walkup suites with low ceilings further encumbered by non-recessed fire suppression, one of which was currently vacant. Adding to the challenge was the desire to move the property quickly while maintaining a fair market sale.

Solution

Reichle Klein undertook an extensive valuation which included the comparable sales and comparable listings of income producing multi-tenant properties within the Toledo MSA. Also considered was the number of medical and general office properties coming on-line throughout the market within the next 6 to 18 months. Having agreed upon a list price near the end of the year, RKG began assembling marketing materials and organizing potential investors from the RKG database in preparation for a February distribution. Throughout the process, negotiations began with an existing second floor tenant regarding possible expansion into the last remaining vacancy within the property. The decision was made to hold off on expansion until such time that the property was under contract.

Results

Within weeks of taking the property to market, several offers from were received from qualified buyers. All offers were carefully considered and ultimately the highest and best offer was accepted. Within a short due diligence window negotiations were successfully concluded with the potential second floor expansion. This eliminated a problem area vacancy for the buyer while establishing income in both the existing and expansion suites for the next five years, with options. Funds for the expansion were set aside in escrow while the Seller completed the build out. The property closed on schedule with RKG being retained to manage the property for the foreseeable future.