

OFFICE BUILDING

LUTTNER RETAIL GROUP LINKS PRIVATE CANADIAN INVESTOR WITH CLASS “A” OFFICE BUILDING



The Luttner Retail Group represented this Ohio-based developer in the sale of a 50% interest in this brand new, Class “A” Office Building. The 49,512 square-foot office building was 100% leased to Citi Smith Barney, Majestic Steel, CMI Steel and Clear Choice Dental.

An initial marketing campaign to sell a 100% interest in the property resulted in bids lower than the anticipated \$13.5 million list price (due to the credit crisis). The Owner and Luttner then decided on a new marketing effort to sell a 50% interest in the building.

This new effort was determined to be the best approach to achieve a premium price for the asset, while still allowing the Owner to achieve a satisfactory level of liquidity. Under the new scenario, an investor could benefit from the

construction loan currently in place and take advantage of a below-market interest rate of 150 basis points over Libor. This strategy would result in a realized 10% return at the list price. Two weeks into the new marketing campaign, Luttner reached a private investor in Canada to purchase a 50% interest in the property.

The transaction took a total of 7 months to consummate due to the complexity of the operating agreement and the need for lender approval on all documentation involved.

Through the efforts of the Luttner Retail Group marketing program, the transaction was completed. This sale demonstrated the Luttner Retail Group’s persistence and commitment to our clients, our ability to access capital internationally, and our knack for finding creative approaches to closing deals in a difficult market.

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Offices in Chicago & Cleveland

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