

SUCCESS STORY

WARREN, OH

JAMESTOWN PLAZA

Deal Scenario:

The Chaney Investment Team was entrusted by their client to sell Jamestown Plaza, a Giant Eagle anchored shopping center in Warren, Ohio. While sales reports demonstrated the strong performance of the grocery anchor, the tenants lease was nearing its end and the property presented several challenges.

The building was constructed in the 1960's and had an old, tired facade with some deferred maintenance, which contributed to an increase in vacancy in the years leading up to the sale. In addition, the property was also subject to a loan assumption with a low loan to value ratio.

While interest rates have skyrocketed over the last two years, properties with lower interest rate loan assumptions have become more attractive. However, because the loan assumption on Jamestown Plaza had a low loan to value, buyers were required to invest significantly more upfront for the asset, even before reinvesting in property updates.

Plan Implementation and Results:

The Team first attempted to market the property for sale in the current condition with the short-term Giant Eagle lease. However, after receiving clear market feedback, the team assisted in the negotiation of a new 7-year lease extension that would stabilize the property and mitigate buyer risk.

After completing the new lease, the team resumed marketing the asset as a value-add deal to investors and brokers across the country.

- Received 11 LOI's on the property
- 300+ CA's signed

After receiving high activity on the offering and negotiating with several investors, the Team was able to complete the sale to a strong existing client for their third purchase in the state and closing was completed in under 60 days from the contract signing.



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