

# CASE STUDY: HERITAGE PROJECT



## Introduction

The property owner of an existing mixed use commercial real estate development located in Edgewood, KY, engaged the services of Steve Fahrnbach at Warm Realty + Development LLC to implement a comprehensive plan for the assessment, valuation, reposition and sale of the asset. The property consisted of four (4) separate buildings totaling approximately 90,000 square feet, situated on a total of approximately 5.9 acres of land.

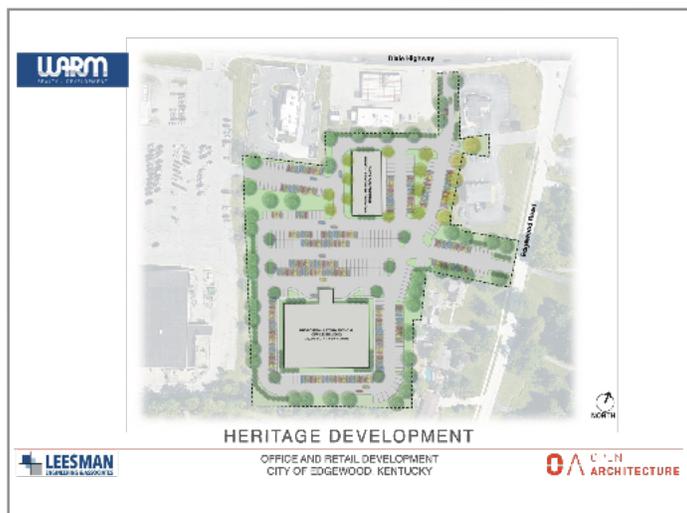
## Challenges

The property was originally acquired by the property owner in association with the acquisition of a note. Several years of deferred maintenance left the property in a decaying state of repair. While considerable efforts were made by the new owner to stabilize and restore the asset, the ultimate decision was made to market the property for disposition. In addition to the failing physical condition of the property, numerous other challenges existed in title, easements, tenancy and other factors which had a negative impact on overall marketability and property value at the time.



## Assessment Phase

Immediately upon execution of a listing agreement, a thorough evaluation and analysis of all the existing conditions impacting the site was conducted, including: review of title conditions, existing easements, site utilities, zoning, existing environmental data available, tenancy/lease analysis, municipal planning & redevelopment considerations/expectations, adjacent property conditions, potential need for acquisition of adjacent properties, market analysis, demographic study, availability of tax/development incentives, etc... Upon gathering all of the data, a comprehensive plan for moving forward was established.



## Comprehensive Plan

A plan to market the property with three (3) established "highest and best" use objectives was established, focusing on redevelopment for: (i) medical/medical office, (ii) hotel and (iii) multi-family residential. Working in cooperation with the property owner and third party architects, engineers and other resources, the team created and launched a campaign to market the potential of the property for successful redevelopment in these three (3) areas, actively targeting direct end users and prospective buyers. By doing a great deal of the due diligence analysis upfront, this allowed for a better presentation of the property to the market, as well as an increased comfort level with prospective buyers in their ability to achieve the redevelopment objectives desired. Considerable interest was gained by numerous parties. What was once seen as a deteriorating asset, was now viewed as a platform for a successful redevelopment.

## Contract Execution & Interim Property Management Services

Within a few months from launching the marketing campaign, a purchase contract was negotiated and executed for the sale of the property. During the contract due diligence period, in addition to assisting in due diligence related matters, Warm Realty + Development LLC provided interim property management services. As property manager, Steve was able to directly aid in the negotiation of lease terminations with existing tenants, as well as coordination and termination of property maintenance and service contracts, utility services and other transition related matters. Warm Realty + Development LLC served as a "single-source" solution in the creation and implementation of a program to maximize the potential and value of the asset, facilitating a transaction that met and exceeded the expectations of both seller and buyer.

## Contact Me To Discuss How I Can Assist In Your Next Project:



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