

# 5025 VENTURE

## ANN ARBOR, MI



5025 Venture Drive - Ann Arbor, MI	
Location	Ann Arbor
Property Type	High Tech Laboratory
Property Size	25,000 SF
Challenge	Sell a property with a short term lease in a distressed market for maximum value
Strategy	Identify qualified investors willing to take the risk of a short term lease
Result	Property sold in November 2008 to give our client an exit strategy with a healthy return on their original investment.

### CASE STUDY #2

### SALE TRANSACTION

#### CHALLENGE

Cabrio Properties was retained by the ownership of this property to sell the asset, a 25,000 SF high tech lab facility, with less than 2 years remaining on the single triple-net lease. This property was owned by our client for more than 10 years and the ownership group enjoyed stable tenancy and positive cash flow. Market changes in Ann Arbor led our client to believe that when the current lease expired in early 2010, they would not renew and the facility would be left vacant. Cabrio Properties was faced with having to market and sell the property in a challenging leasing environment with the risk that the property's revenue would fall to zero in less than 24 months from the time that we put the property up for sale.

#### TRANSACTION

Cabrio Properties turned to its network of local investors that had confidence in the leasing market of the Ann Arbor area. We were able to secure a buyer for the property and put the property into contract to sell in September 2008.

#### RESULTS

Cabrio Properties facilitated a close of the transaction in November 2008, less than 90 days from the time that the sale process started. The sale transaction created liquidity for our client and protected the overall return on their investment generated over the course of their hold period. The buyer acquired the asset at cap rate that generated positive cash flow while the current lease is in place. The buyer was also confident that in the event that the current tenant did not renew they will be able to find a replacement tenant for the property.

