

CASE STUDY



ARVIN LEASEHOLD PORTFOLIO

CHALLENGE

Services:

Expedite the Sale of
Leasehold Assets

Hudson Advisors, owners of the Lone Star Opportunity Fund, wanted to close out its first fund by selling its remaining forty-six (46) leasehold assets. The challenge was to sell its leasehold interest to a well-funded portfolio investor who was entrepreneurial enough to understand the benefits of the leasehold position and who would not be deterred by environmental issues related to automotive service center usage.

SOLUTION

CBRE Portfolio Services understood the narrow investor market interested in acquiring leasehold assets that have no residual value because they are owned by another entity, are located in 10 states and have a history of environmental issues. CBRE Portfolio Services conducted a Private Portfolio Offering and invited six (6) investors to indicate interest in the Arvin Leasehold Portfolio. Four (4) offers were received. Hudson's leasehold position was acquired by a private, well-funded investor from Missouri who plans to hold the assets for twenty-five (25) years.

RESULTS

CBRE Portfolio Services sold the leasehold position for \$5 million to a private investor. Hudson Advisors closed its Lone Star Opportunity Fund and reinvested the proceeds.

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