NAI Realvest

# Redevelopment Sale

## Repositioning and Sale of a Functionally Obsolete and Under Used Retail Property for Multifamily Development

### CHALLENGE

Reposition for sale a 12.7 acre property located on East Colonial Drive, Orlando, a major east/west highway running through the center of Florida, for a higher and better use.

- The immediate area is punctuated by functionally obsolete retail properties located between more prosperous areas.
- The current land use and zoning must be amended to permit redevelopment into a mixed use consisting of apartments and retail.
- The subject property is obstructed by a 30' wide easement leading to the adjacent rear parcel, a vacant industrial property intended for concrete crushing.


### ACTION

Jason G. Toll, Sr. Vice President, NAI Realvest, engaged by the property owner, assembled his skilled project team consisting of a specialized land planner, environmental consultant and legal counsel. The team's immediate goals were to amend Orange County's Comprehensive Land Use Plan ("Comp Plan"), rezone the property to Planned Development and assuage the area residents' concerns for development and win the County commissioner's approval. During that time, Mr. Toll procured seven similar purchase offers from local and national multifamily developers.

### RESULTS

- The Comp Plan amendment was unanimously approved by the Orange County Commission.
- A buffer required against the adjacent single-family property was reduced by 50% as a result of negotiations with the adjacent property owner, County staff and the County Commissioner in order to secure the change in zoning.
- Removal of the detrimental easement was the result of a relationship developed between the previously unapproached easement owner and Mr. Toll. The buyer, Catalyst Development Partners, authorized use of their funds held in the escrow account as the source of payment to buy back the easement resulting in no immediate out of pocket expense to the seller.

### TESTIMONIAL

*"Our ownership group, consisting of extended family, has owned this legacy property for two generations. We had become unsatisfied with the poor return generated by the two retail tenants occupying the 13,000 square foot building. It was Jason's suggestion that we prepare the property for sale by taking on the expense and risk of applying for a land use change and rezoning the property in this market's contentious political environment.*

*Each of our partners, who don't always agree, trusted Jason because of the guidance and care he provided during the land planning process to accept an offer from Catalyst Development Partners at $200,000 below the highest offer which was also the asking price. Jason's investigation of Catalyst's past performance on other projects and his assurances that the higher offer from another developer was less likely to close was enough for our family.*

*The deal was not without challenges. The buyer suffered additional requirements due to the COVID-19 pandemic starting 6 months after the contract effective date. Jason was extremely diligent to confirm the buyer was on target and reaching their permitting goals. Because of Jason's constant communication with the buyer and regular reporting , we were confident in Jason's suggestion to accept the unexpected contract extensions were in our best interest. We were so pleased with Jason's ability to navigate this challenging sale, we are discussing the disposition of other legacy assets with the assistance of Jason and his team." Twinwise Properties, LTD*

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