

# ASSET MANAGEMENT: Colony Capital



## Challenge

Colony Capital an Institutional fund, based in California, foreclosed on the subject Industrial building in Roselle, NJ. They had limited information on the property and needed to secure the premises immediately. In addition, the property sustained storm damage with a collapsed wall and additional damage during Hurricane Sandy with the collapse of a 2<sup>nd</sup> wall.

The objective was to position the property to sell on an AS IS basis at a market price.

## Action

GreenGate implemented the following immediately after receiving the assignment

- Secured premises and provided detailed Property Inspection Report
- Notified existing tenant of new ownership and procured tenant insurance
- Supervised all aspects of property repair related to a collapsed wall. Interfaced with neighboring property owner that sustained damaged, police and fire department, utility companies and obtained multiple bids and coordinated Insurance Adjuster
- Letter of authorization to change over utilities and obtained updated deed to ensure no charge on past due bills
- Conducted Broker Opinion of Value
- After minimal necessary repairs were completed, a comprehensive marketing plan was implemented. This comprised MLS and Internet listing, signage, direct mail, contacting local brokers and door to door canvassing
- Weekly Management Reports

## Result

The property was initially approved to be listed at a specific price prior to property damage. After a delay with the marketing (due to these circumstances) we re-evaluated the market and determined that there was strong demand with limited supply of inventory. Even with the sustained damage, we suggested increasing the asking price. The property was sold in AS IS condition for more than the original asking price. This coupled with the insurance proceeds resulted in a price that substantially exceeded the seller's expectations.

## Reference

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