

# CLIENT SUCCESS

Marcus & Millichap  
THE KLEIN GROUP



4 Ash Street Ext  
Derry, NH

- \$2,300,000
- 18,000 SF
- \$127.78 PSF
- 4.55 AC

## CHALLENGE

Ownership had recently sold his business which had scaled up to occupy 100% of the building. He was still working for the business, but decided to no longer be a landlord. With only two years remaining on the lease, it was unclear who would be an ideal buyer. The in-place rent was massively below market, making an ordinary cap rate not an appropriate metric for valuing the property.

## ACTION

The Klein Group analyzed the property based on its potential income which could be achieved in two years. Using an internal rate of return model, we were able to compare the property favorably to other stabilized buildings in the area. With this model, we marketed the building and within six weeks sourced multiple offers. During the marketing process, interest rates climbed over 200 basis points, subduing market pricing. We quickly met with ownership and adjusted the pricing to allow for an effective sale.

## RESULT

After sourcing multiple offers, the existing tenant decided to purchase the property. Based on offers that we had submitted from third parties, they agreed to pay a higher price than they had originally offered prior to our marketing process. They paid a fair market value and closed without contingencies and within thirty days of the contract date.

## TESTIMONIAL

*"The Klein Group and I have been planning the sale of the building for the better part of two years. Over the years, they provided up-to-date valuations of my building based on market trends. When time came to transact, The Klein Group ran an efficient marketing process resulting in a price record for Derry, NH."*

- Scott S.