

LANDLORD LEASES & RENEWS TENANT, BUT THE COMPLEXITIES OF A BUSINESS SALE CREATES CHALLENGES

**LEASED
SANT FE SPRINGS, CA**



CHALLENGE

As the manufacturing industry in southern California faces many obstacles to growth, KL Coatings' unique high end custom processes continued to drive demand for the company. Now, the Landlord, who had already leased one of her properties to KL Coating was faced with the option of expanding them into another building, thus making them the anchor tenant in her portfolio.



ACTION

We needed to evaluate the opportunity considering the current configuration of the property, which was ideally set up for KL Coating operations. As in the case of the first property, we negotiated both a lease for the property and purchase agreement for the business and equipment, with the help of attorneys. Critical to the deal were the payment due dates that unlocked a lease extension.



RESULT

The initial lease and extension were both executed. The tenant made initial and renewal payments on time, and a 3-year extension to the original 1-year lease was just executed. We were able to lease our property, after transitioning from operating ourselves, with minimal down time in rent and very few tenant improvement renovations.



TESTIMONIAL

"I have known Chris since he first sold my late husband and I our second property in La Mirada. He has always taken good care of me and our real estate needs, and I look at him as a trusted advisor. If you ever have any industrial real estate questions call Chris to help you."

-Yashica Bamola
Savitri, LLC



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