

TRANSACTION CASE-IN-BRIEF



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Houston, Texas



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SVN|Angelic
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CBS RENTAL & SUPPLY

Transaction Type & Details

Transaction Date:
November 22, 2017

Transaction Type:
Sale and Leaseback

Building Type:
Industrial, with substantial outdoor storage (much of it paved)

Building Size:
212,451 SF across 11 buildings

Price:
\$27,250,000

Keith Bilski had a multi-year relationship with CBS Rental & Supply, a regional provider of heavy equipment rentals, primarily to construction trades.

In early 2017, Keith began the process of a sale and leaseback transaction with CBS on 11 facilities (three of which were still under construction), which were at the time owned outright by CBS following an internal company recapitalization and ownership consolidation. The sale and leaseback transaction was to free up internal working capital to be reinvested more profitably in additional locations and equipment inventory to rent to customers. To minimize internal management post-closing, CBS preferred to sell the locations as a portfolio to a

single buyer, with a long-term leaseback, under a single lease. Selecting a buyer that could potentially fund future location growth in similar transactions down the road was also a desire, if possible.

Keith's and Gabriel Silverstein's firms have had a relationship for several years, and Keith asked Gabriel's team to bring forth any good buyer candidates. Gabriel ultimately had two finalist buyer clients for the transaction, and the buyer chose one of those two, SITIOIRIE Capital, as its preferred buyer.

Client Objectives

- Release capital to redeploy into high ROI investments
- Partner with long-term money that could replicate this transaction for future locations
- Ensure certainty of closing the first time

Transaction Profile

- Mid-market, profitable privately held seller/tenant
- Portfolio spread across Texas and Florida
- Metal industrial buildings with significant outdoor storage areas, quasi-retail in their use

Solution

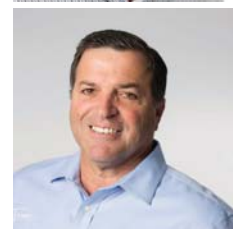
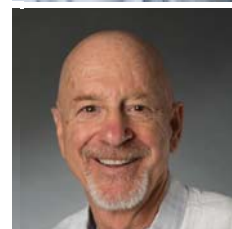
- Included SIORs and other brokers in the marketing of the portfolio to achieve best distribution
- Ultimately worked with Gabriel, whose capital markets focus brought additional, qualified buyers to the table, and structured some additional transaction features for the seller/tenant
- Leveraged SIOR relationship trust to deliver certainty of execution to client/seller

Congrats!

NICK ADAMS

for earning

SIOR designation



Pete Davisson, SIOR
John Morrissey, SIOR
Philip Rothenberg, SIOR
Louis Battagliese, SIOR

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