

# HEALTH & FITNESS STUDY

*SUMMARY: FIND A BUYER FOR THE BUSINESS, BUT CONTINUE TO OWN REAL ESTATE OF BUSINESS LOCATION*

## SUBJECT

For over 30 years, the ideal location of this fitness center has grown its membership to 10,000. The owner has received more than one offer to sell the business, but the offers were weak and did not fit with her goals for the business and her own financial aspirations.



## CHALLENGE

Assist the business owner in selling the fitness center and retaining ownership of the real estate where the business is located. The new owner would pay rent until the former owner was ready to sell the real estate.

## STATS

**Industry:** Health & Fitness Centers

**Annual Revenue Range:** Under \$20 million

**Referral Source:** Commercial real estate agent

## OUTCOME

*Freeman Lundt introduced the fitness center owner to a potential buyer who owned other companies that fit well within the fitness industry. It was a match made in heaven for two very profitable reasons.*

- 1. The fitness center would give the potential buyer a retail location*
- 2. A large membership base to sell his nutritional supplement product line, providing a 64% higher value to the business*

*And for an even greater gain? The market lease on the building provided the option to buy for the new fitness center owner and created long term value and cash flow for the building owner. The lease financed short term occupancy concessions to increase the lease dollars per square foot with financial concessions by the seller.*

*Freeman Lundt did the heavy lifting by delivering and maximizing the goals of both parties.*