

# Charlebois Family Investments Outline of Strategic Plan

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# Agenda

- ▶ Current Situation
- ▶ Key Issues
- ▶ Financial Analysis
- ▶ Options under Consideration
- ▶ Recommendations
- ▶ Implementation
- ▶ Conclusion
- ▶ Q&A

# Current Situation

- ▶ Discount cost leadership stores
  - ▶ Store closures and bankruptcies
- ▶ Move towards online shopping
- ▶ 25% of leases at 2 malls will expire within 2 months

# Key Issues

## Portland, Maine

- ▶ Open air
- ▶ Price sensitive consumers with minimal expendable income
- ▶ Signs of wear
- ▶ Close proximity of competitors

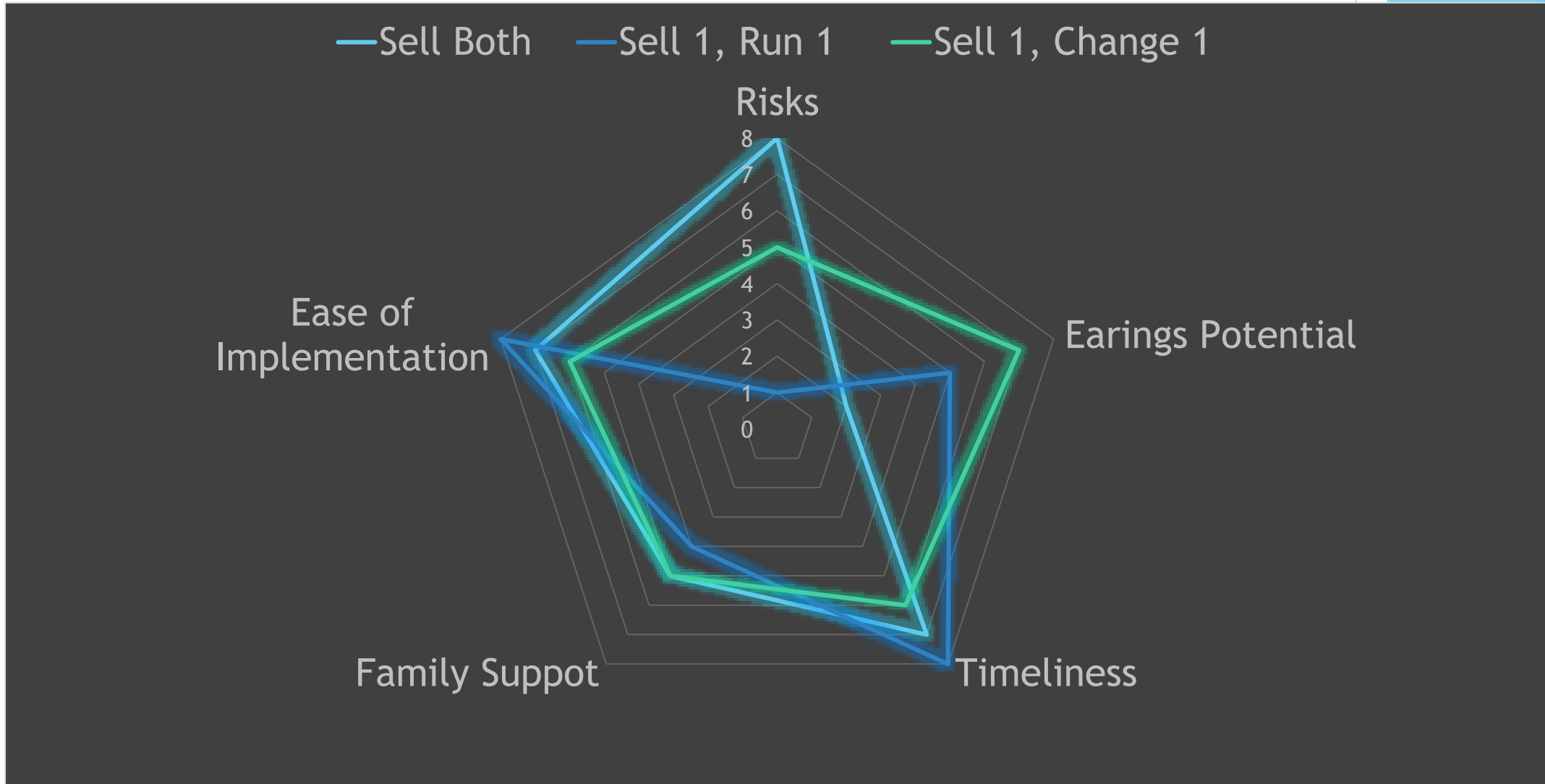
## Hartford, Connecticut

- ▶ Not well located
- ▶ Parking trespass
- ▶ Mortgage

# Options under Consideration

- Sell Both
- Sell One, Run One
- Sell One, Change One

# Radar Chart



# Decision Criteria for Options under Consideration

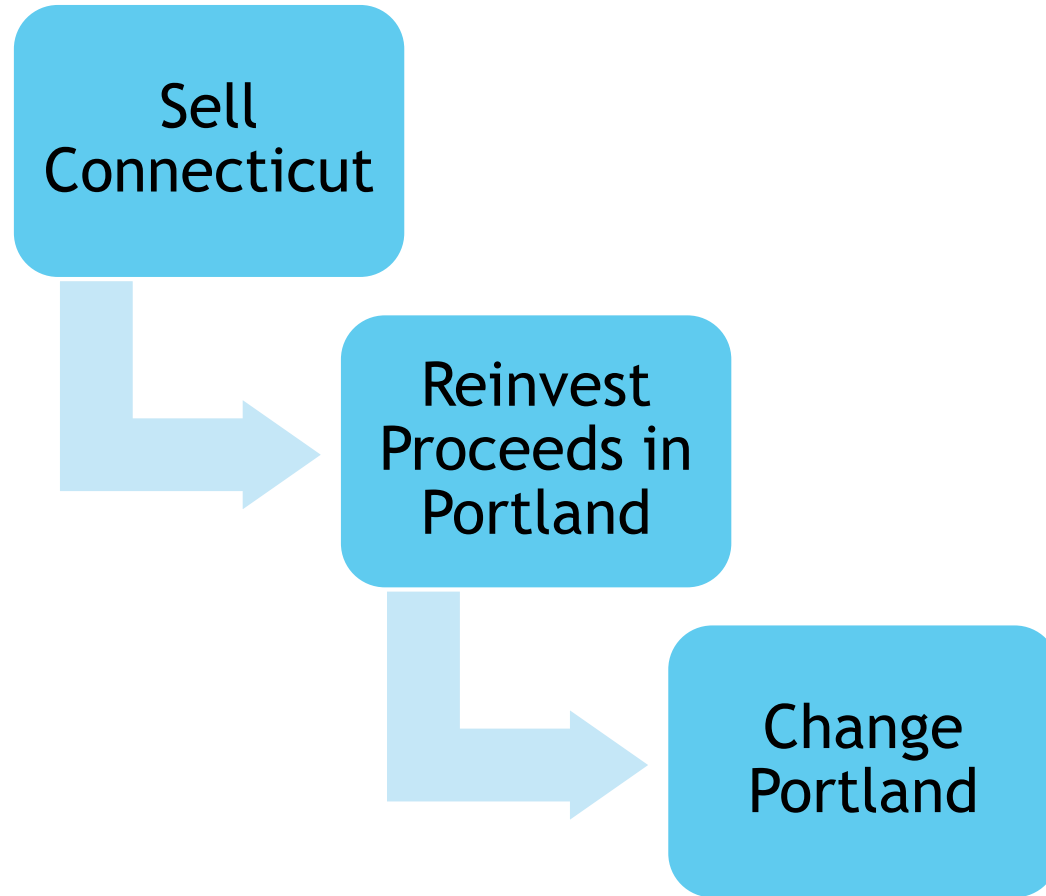
	A	B	C	D
		Sell Both	Sell 1, Run 1	Sell 1, Change 1
Risks		8	1	5
Earnings Potential		2	5	7
Timeliness		7	8	6
Family Support		5	4	5
Ease of Implementation		7	8	6
		29	26	29

# Options under Consideration

- Sell Both
- Sell One, Run One
- Sell One, Change One



# Recommendations



# Connecticut Real Estate Analysis

<b>Real Estate Market Facts</b>			
<i>Normalized housing market assumed to be sold for \$100/ square foot</i>			
Fact		Change to Price	Weight
Commercial Establishment		150%	1
Suburban location		120%	2
Changes in Retail Market		85%	3
<b>Weighted Average of Three Factors</b>			<b>1.08</b>

# Sales Proceeds Calculation

## Calculation of Sales Price per Square Foot

*Normalized housing market assumed to be sold for \$100/ square foot*

Normalized price per square foot	100
Weighted Average of Market Factors	1.08
<b>Listing Price per Square Foot</b>	<b>\$ 108.00</b>

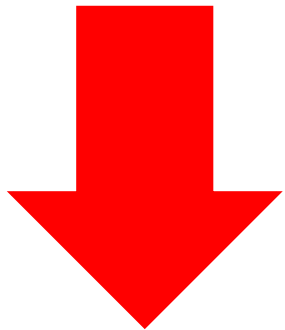
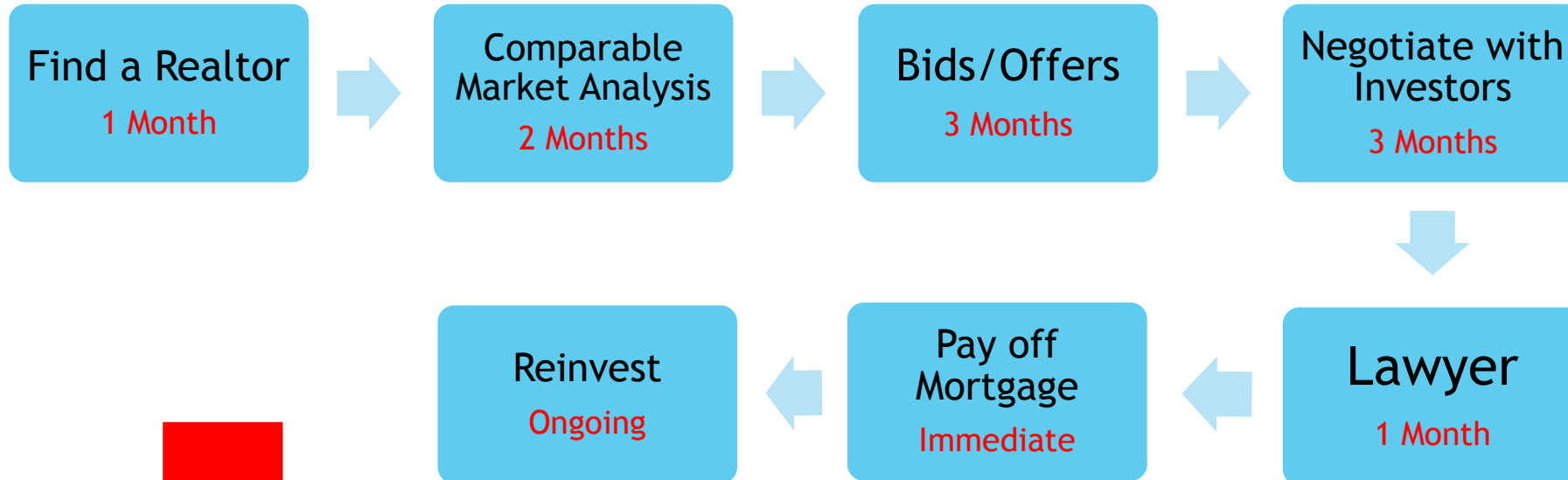
# Calculation of the Sales Proceeds

<b>Calculation of Sales Proceeds</b>			
Total square footage			425,000.00
Estimated Revenue per square foot			108
<b>Estimated Listing Price*</b>			<b>\$ 45,900,000.00</b>
<i>* must provide ability to repay outstanding obligations</i>			

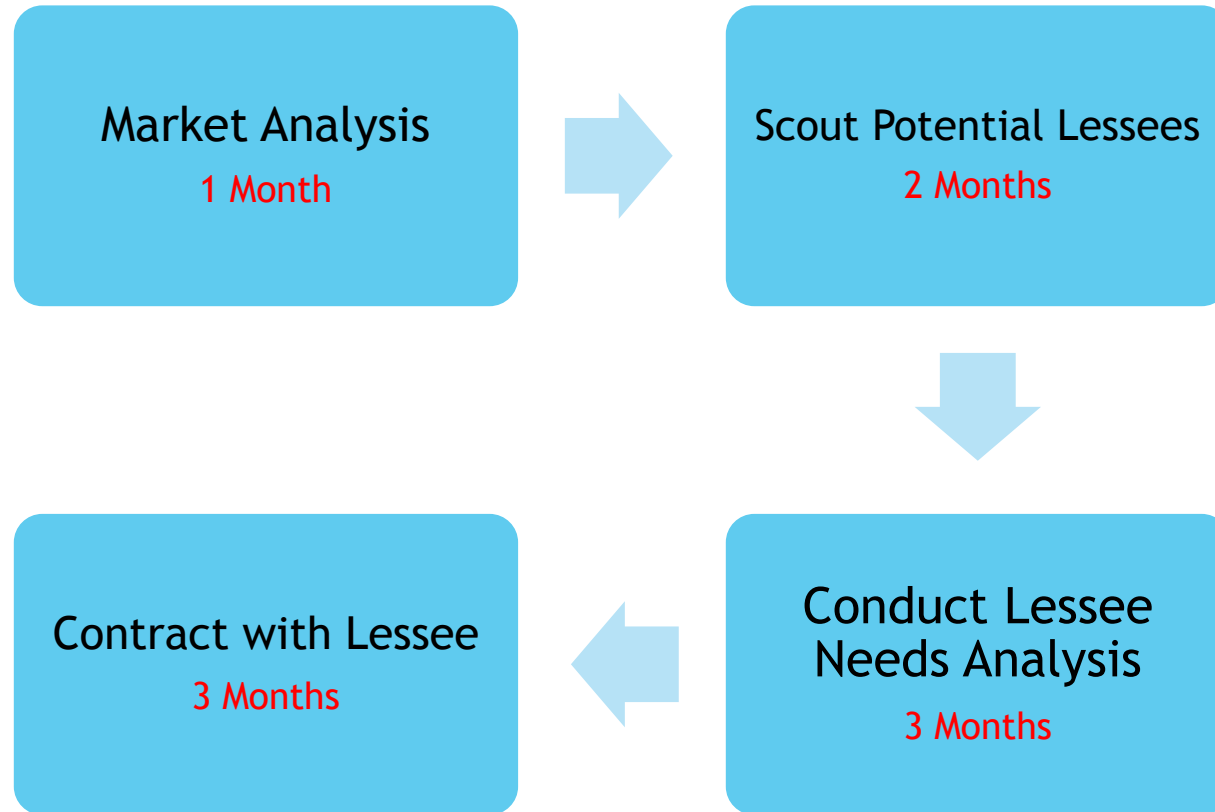
# Capital Allocation

<b>Allocation of Remaining Cash</b>		
Proceeds from sale		\$ 45,900,000.00
Less: outstanding mortgage payment (10% down payment, 20/25 years)		- 33,048,000.00
<i>Cash remaining</i>		<i>\$ 12,852,000.00</i>
<b>Amount paid out to shareholders</b>	<b>30%</b>	<b>\$ 3,855,600.00</b>
<b>Amount to be retained as working capital</b>	<b>70%</b>	<b>\$ 8,996,400.00</b>

# Short Term - Implementation



# Long Term - Implementation



# Possible Use Cases for Portland

- ▶ Parking
- ▶ Warehouse
- ▶ Commercial/Industrial Site
- ▶ Server Farm



The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the slide, creating a modern, layered effect.

Thank you

Questions