

# CHARLEBOIS INVESTMENT

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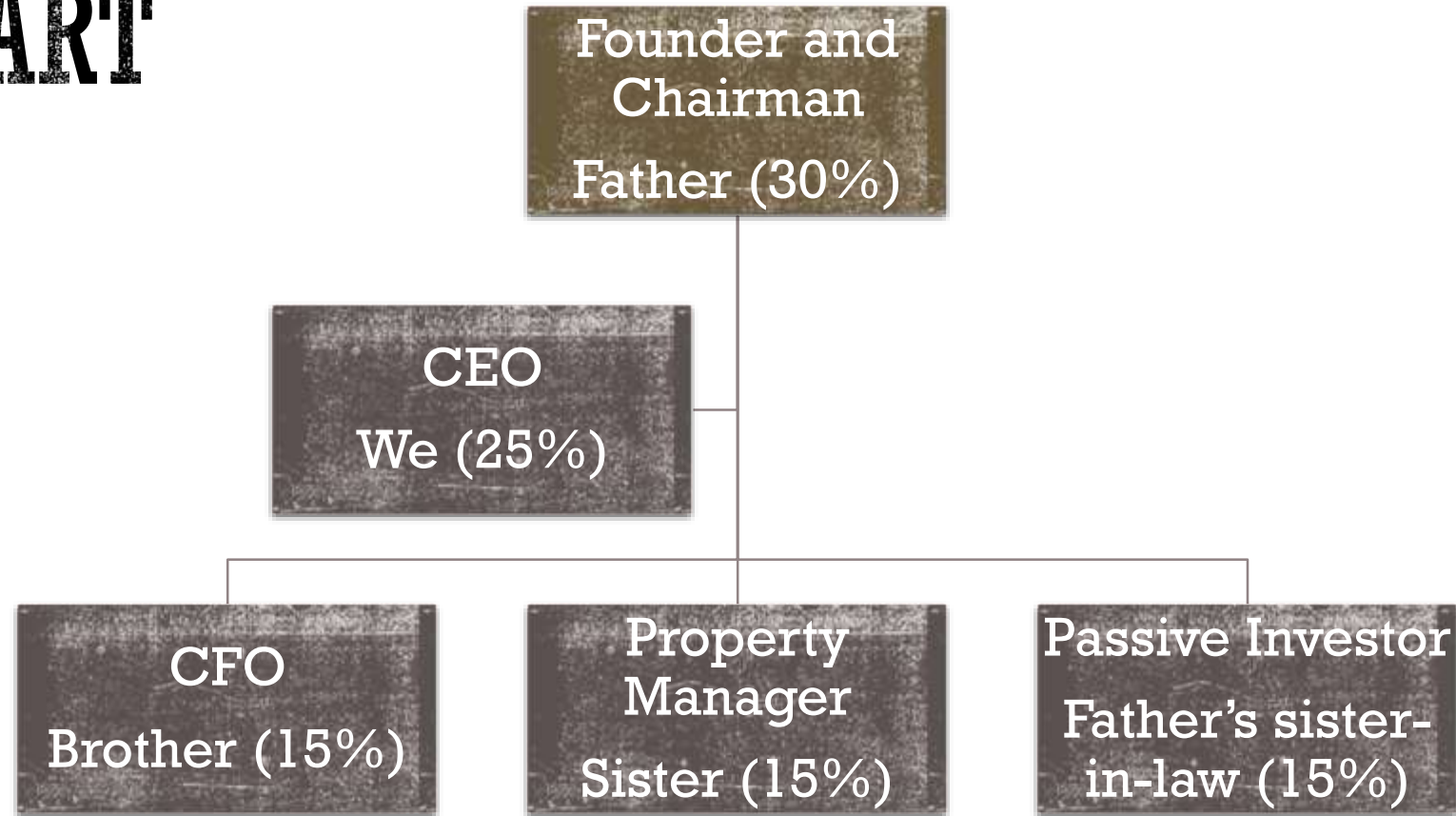


# AGENDA

- Analysis
- Problem statement
- Alternatives
- Solution
- Recommendations
- Implementation



# ORG CHART



Analysis

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# CURRENT SITUATION



# MALL COMPARISON

	Portland	Connecticut
Overall [square m]	11,650	39,480
Office space [square m]	1,860	0
Parking	Yes	Yes
Working area surroundings	Automobile stations, fast food, small local businesses.	High-tech business
Economic area	Lower-middle class	Upper-middle class
Financial situation	Mortgage free	Sizeable mortgage
Distance to residential sector	3.2 km	8 km
Amount of stores	22	89
Anchor stores	None	Sears, JC Penny, Home and Hardware
Other	Near to the airport	Quiet zone with baby boomers, behind train station

# PROBLEM STATEMENT

Profits are falling... It is time to take actions.

# OBJECTIVE

Ensure that the company regains its profitability in 2018 and beyond.

# ALTERNATIVES

1. Sell  
both  
mall  
centres.

2. Sell one  
of them  
and  
redesign  
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Portland

Connecticut

# ALTERNATIVES

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Portland

\$\$\$ SALE \$\$\$

Connecticut

## Why?

- Connecticut has and is in an Upper-middle class area.
- Baby boomers in Connecticut are moving into the city

# PORTLAND VALUATION

## Assumptions:

Land cost: 1,000 USD / sq metre

Construction cost: 1,500 / sq metre

## Value of the property (in thousands)

Land cost:  $1 \times 11,650 = 11,650$

Construction cost:  $1.5 \times 1860 = 2,790$

Total: 14,440 USD

# PROPORTIONS OF CONNECTICUT MALL

- Total ground: 39,480 sq metres
- Total parking: 19,740 sq metres
- Total construction: 39,480 sq metres



# PROPORTIONS OF CONNECTICUT MALL

Store	Area sq metres
Sears	12,500
JC Penny	12,500
Home and hardware	5,180
Local stores (89): 19 x 5.5 m size	9300
<b>Total</b>	<b>39,480</b>



# REDESIGN OFFICES IN ANCHOR STORES

- Total of 30,180 sq metres to Be built (inside the existing structure)

At a cost of 300 USD per sq metre

Total amount of money needed: \$9,054,000



# FINANCIAL SITUATION

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
<b>Expense</b>													
Maintenance	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 197,400.00	\$ 2,368,800.00
Security	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 78,960.00	\$ 947,520.00
<b>Income</b>													
Office Rent	\$ 362,160.00	\$ 384,795.00	\$ 407,430.00	\$ 430,065.00	\$ 452,700.00	\$ 452,700.00	\$ 452,700.00	\$ 452,700.00	\$ 452,700.00	\$ 452,700.00	\$ 452,700.00	\$ 452,700.00	\$ 5,206,050.00
Retail Rent	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 93,000.00	\$ 1,116,000.00
<b>Total</b>	<b>\$ 178,800.00</b>	<b>\$ 201,435.00</b>	<b>\$ 224,070.00</b>	<b>\$ 246,705.00</b>	<b>\$ 269,340.00</b>	<b>\$ 269,340.00</b>	<b>\$ 269,340.00</b>	<b>\$ 269,340.00</b>	<b>\$ 269,340.00</b>	<b>\$ 269,340.00</b>	<b>\$ 269,340.00</b>	<b>\$ 269,340.00</b>	<b>\$ 3,005,730.00</b>
VPN	\$ 168,679.25	\$ 179,276.43	\$ 188,133.49	\$ 195,413.47	\$ 201,266.52	\$ 189,874.07	\$ 179,126.48	\$ 168,987.25	\$ 159,421.93	\$ 150,398.05	\$ 141,884.95	\$ 133,853.73	\$ 2,056,315.62

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# STEPS TO FOLLOW TO SELL THE MALL

- Announced the mall for sale
- Hire realtors to sale the mall
- Negotiate prices.
- Analyze permissions and documentations necessary to sell.
- Sign the contract





# STEPS TO FOLLOW TO REDISIGN

- Hire the building company
- Develop the construction plan.
- Start negotiations about the current leases.
- Begin the construction development plan.



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MEXICO**

**THANK YOU**

