



SALE LEASEBACK STRATEGY

Here are three ways SIG is using Sale Leasebacks to help operators through COVID-19 and come out even stronger.

GET RID OF BAD DEBT AND TRADE IT FOR REASONABLE LANDLORDS



In the current economy, banks have become more rigid in their lending and financing practices, which is causing undue pressure on business owners who need the flexibility to move quickly when a commercial real estate investment opportunity becomes available in the market.

A sale leaseback provides you with the opportunity to reduce debt loads by selling a property while staying on as a tenant with a fixed lease payment. This allows you to retain your initial capital investment in the property. This option can also provide more operating capital for your business and provide a more favorable, humanized landlord-tenant relationship.

IDENTIFY WAYS TO REDUCE OCCUPANCY COSTS



At SIG, we are finding that principal and interest payments on highly leveraged assets are commonly held for a higher monthly payment than a rolled or fixed cost at today's CAP rates. Additionally, in a sale leaseback—as an operator—you will be able to both recoup your initial down payment and pay off all debts.

In uncertain times like these (where every penny counts), we're looking for every possible way to reduce overall occupancy cost of real estate and stack up the war chest so we not only have a runway to operate the business, but make sure funds are available for post-COVID opportunities.

RAISE CAPITAL FOR FUTURE BUYING OPPORTUNITIES



Most of the deals on the table today are prompted by quick fixes and the ability to come to the table with cash, and for most of us, that cash is sitting in our existing real estate investments. A sale leaseback strategy provides necessary capital for future investments or buying opportunities.

The common sentiment in the market is that this disruption is going to turn into opportunities. In this way, the COVID pandemic has accelerated selling or retiring from the business, creating opportunities for operators who are looking to expand.

Overall, SIG is providing a capital solution to fund portfolio acquisitions and growth opportunities as they arise.

Want to learn more sale leasebacks and other investment opportunities that don't require you take on any more debt? Get in touch with an expert today by calling 844.4.SIG.NNN or sending us an email at info@SIGnnn.com.