

National & International Client

Industrial
Disposition

CASE STUDY



Magellan Aerospace Corporation, a company rated as one of the 25 largest companies in Canada by the FP500, is a leading global supplier of technologically advanced aerospace systems and components. Ellanef, a division of Magellan, manufactures medium and large complex structural airframe parts and mechanical, electromechanical, and hydraulic assemblies. Ellanef's facilities encompass manufacturing space at two main sites — the Corona plants in Queens, NY and the Bohemia plant located in Long Island.

The Challenge

Our team was retained by Magellan on a consulting basis to act, in an advisory capacity, as an outsourced real estate department, in support of Magellan's senior executive team. Our primary objective was to help maximize the value of their significant real estate holdings.

Through detailed evaluation Stan Krawitz and team worked with Magellan to convert its overall business plan into a real estate asset plan and developed a strategy to unlock the unrealized potential of real estate assets that had increased exponentially in value in the New York City area. The first step in this process is the strategic disposition of seven (7) buildings in Queens New York, on five different city blocks and consisting of parking lots, separate manufacturing facilities, office space, and open yards; spread out holdings and only some of the buildings are connected.

The Response

Using our FLOW™ process we managed the entire project to dispose of the properties owned by Magellan from beginning to end. Our team facilitated a formal search for best, most experienced, investment listing brokers of industrial buildings in Queens, New York. Our team did all of the due diligence on the properties, the market, and the local listing brokers. The team acted as Magellan's consultant to select the preferred local service provider and negotiated the contract to list the properties on behalf of Magellan.

This was a highly specialized project and even though all of the large New York brokers. It was very clear that the "Best of Breed" service provider for this project was not employed by any of these large brokerages but required highly tuned expertise from a local broker uniquely positioned to market the portfolio. It was our team's due diligence and reference checking that uncovered and highlighted the most appropriate choice for this project.

The Solution

Our team has successfully negotiated the sale of four (4) of the seven buildings and consolidated operations into the remaining three (3) properties, which has added value to Magellan's bottom-line. We continue to be actively engaged in providing consultation, transaction, and project management services to Magellan world-wide.