



*Manufacturing Facility
Sale/Lease Back
100,000 Sq. Ft. in West Chicago, IL*

<i>Objective</i>	<i>Solutions</i>	<i>Results</i>
<p>ISO certified Bonar Plastics is a premier rotation molder of specialty plastics with multiple manufacturing, warehousing and distribution facilities across North America.</p> <p>Bonar capabilities include thermoforming, custom product design and engineering, and production of FDA and USDA food grade containers.</p> <p>Facing an upcoming lease expiration in a tight market with a tough landlord, Bonar Plastics turned to the Taurus Realty Partners team. It would be cost prohibitive to relocate the operation due to the infrastructure and equipment existing at the current facility. In addition, Bonar's industry required them to cut costs in order to stay competitive in the rotational molding market.</p>	<p>The first step was to carefully examine all the possible options. Upon an in-depth analysis, the Taurus team created a strategic approach that required delicate implementation. This strategy involved multiple moving parts and intense management throughout the process.</p> <p>Bonar's financial and other business structures made it prohibitive for the firm to purchase additional property. However, innovative thinking led to a search for an institutional investor to whom Bonar could 'flip' the purchased property and then sign a pre-negotiated lease.</p> <p>In effect, the Taurus team found a way to avoid rent negotiations with the incumbent landlord by negotiating for Bonar to purchase the building and finding an investor to purchase the facility from Bonar and then lease it back long-term under favorable conditions.</p>	<p>By working with the Taurus team rather than renewing directly, world-class plastics manufacturer Bonar Plastics received the following benefits:</p> <ul style="list-style-type: none"> ▪ Discovery of additional creative options that existed ▪ Successful negotiation of a purchase at fair market value without changing Bonar's financial position ▪ Successful sale of the purchased site to the new landlord, an institutional ownership group that provided quality management ▪ Successful lease of the facility from the new landlord at a rental rate below the pre-renewal rate of the incumbent landlord ▪ Avoidance of the cost of relocating precision manufacturing machinery and the business interruption represented by that alternative ▪ Enabled the completion of Promens' purchase of Bonar Plastics

