

OUR CLIENTS ISSUE

Our client, a developer based in Raleigh, North Carolina who specialized in mixed use town center developments, was negotiating for a piece of property in a small city on the coast of South Carolina. They were not familiar with the city or the area so they were using a local attorney and a real estate agent for the first time and were not comfortable with the combination. We had successfully completed several projects for this client so we were asked to conduct a political and community assessment. The assessment included providing background information on the local officials who would be voting on their zoning change and development, the mood of the community towards new development and outline the entire process including every permit they would need from the city, county and state.

DELIVERABLES

During the course of our work our project manager made a startling discovery. He had come across a recent bill that had been passed by the city council. That legislation had placed a two-year moratorium on any zoning changes in the city. We discussed the situation and the fact that the client was about to purchase a two-year option on the property at \$50,000 per year. We doubled and tripled checked noting that the local attorney and real estate agent would have told the client if this was being put into place.

What we had discovered was in fact true and we had to immediately report this back to our client.

THE RESULT

Since the moratorium was in place and there was no indication what would happen when it expired, our client followed our advice and walked away from the agreement that they had negotiated thereby saving their company \$100,000.