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PHOENIX INVESTORS ACQUIRES FORMER DELPHI INDUSTRIAL PLANT IN FLINT, MICHIGAN

Company purchases more than 550,000 square feet in $3.15 million transaction

MILWAUKEE, WI (September 28, 2017) – An Affiliate of Phoenix Investors, a national private commercial real estate firm headquartered in Milwaukee, WI, has purchased the former Delphi Flint East industrial plant, located on Dort Highway and Robert T. Longway, in Flint, Michigan totaling in excess of 550,0000 square feet. The company is focused on expanding its footprint in Michigan with this investment and other pending acquisitions.

"Although we have a real estate presence in the state, this acquisition represents our entry into the rebounding industrial markets of Michigan. We are encouraged by the opportunity that strong tenant demand provides specifically in the Flint industrial market. A long period of blight and the prospect for future value-add improvements provides an opportunity in the coming months to immediately execute on a turnaround plan for this asset," said Kurt Jensen, Senior Vice President of Acquisition and Leasing for Phoenix Investors. "We have been welcomed with open arms by community partners in Flint and we look forward to working with them as we renovate and lease this property to new tenants."

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"I am pleased to hear that our partners, Phoenix Investors, finalized the purchase of the Delphi East site on Robert T. Longway and Center Road. For many years, this site served as a place of employment for Flint residents and soon we will see more Flint residents report to work on that site," said Flint Mayor Karen Weaver. "This is another great news story for the City of Flint. I am pleased that Phoenix Investors chose to invest in Flint by purchasing this property. Flint continues to move from crisis to recovery thanks to our partnership with Phoenix Investors!"

"This is great news for the city of Flint," said Tim Herman, CEO, Flint & Genesee Chamber of Commerce. "The former Delphi Flint East is one of the largest vacant buildings remaining in Michigan. It's exciting that Phoenix Investors is making a major investment to redevelop this site and contribute to the city's resurgence. On behalf of our community, thank you for choosing Flint. We are open for business."

The subject building is a former assembly plant for Delphi and requires extensive renovations. Originally constructed in 1960, the building has up to 42' clear ceiling heights, 17 loading docks and a number of overhead cranes. The Flint industrial submarket has robust fundamentals. In the last five years, the market vacancy rates declined from 10.5% in 2011 to 3.7% as of 2017. Among warehouse and distribution type facilities, the market vacancy rate is even lower at 1.7% for buildings over 100,000 square feet, creating strong demand for this asset class.

"I am honored to have helped facilitate the process by which Phoenix Investors was able to acquire the former Delphi Flint East industrial plant for future tenants," said Commissioner Mark Young, Chairman of the Genesee County Board of Commissioners. "This acquisition will result in the reinvention of a blighted industrial property and lead to the creation of quality jobs right here in Genesee County. Having grown-up on the east side, I understand the importance that the redevelopment of this property will have in the growth of Genesee County's economic future."

Senior mortgage financing was provided by River Valley Bank. The transaction was brokered by Paul Hoge of Signature & Associates.

"We continue to employ our committed capital on our core industrial strategy and seek additional industrial value acquisitions in Flint and across Michigan," said David Marks, President and CEO, Phoenix Investors.

About Phoenix Investors

Phoenix Investors LLC carries a portfolio with a spread across 22 states and approximately 17 million-square feet in commercial properties as the largest industrial real estate developer in Wisconsin. The diversified mix of tenant locations are the result of harvested, underappreciated asset classes including Class B and Class C Industrial properties, portfolio and REIT dispositions, and creatively working with corporations, banks, and other institutions on underperforming asset dispositions. Phoenix Investors continues to apply disciplined investment strategies while implementing new technologies and adding resources.

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