

Williams Island Club (Aventura, Florida)

Objectives

JNJ was engaged in a competitive selection process to represent both Williams Island Associates, (the developer) as well as the WI Property Owners Association (the residents) in a structured sales transaction whereby property owners would acquire the club facilities. This engagement was conducted jointly with Ralph Stewart Bowden, Inc., and became the cornerstone for the Bowden - Johnson Group.

Our representation of both developer and property owners was by mutual consent under a tri-party agreement, and required very high standards of research, analysis and reasoned conclusions which could be defended in real time debate and scrutiny by both parties.

Scope

- BJB created a viable business strategy for restoration of club services, sustainable ongoing operations, and a transaction framework for sale of WI Club assets to community property owners.
- BJB sized up facility refurbishment costs and clubhouse usage concepts as part of restoration of “lifestyle living”.
- BJB conducted an independent, focused evaluation of equity membership values at Williams Island Club, with economic valuation for the club facilities.
- Arbitrated negotiations between developer and property owners, adding expertise to enlighten participant knowledge, guiding rationality of both parties, and avoiding pitfalls.
- Throughout the conduct of the business planning and membership valuation phase, BJB reported to both clients its findings, recommendations and conclusions. Both developer and property owners were afforded multiple opportunities to provide input, challenge findings, and remain apprised of BJB’s independent recommendations.

Results

- Representing both sides of a transaction by mutual agreement had the effect of keeping all parties rational as deliberations unfold. BJB helped educate member leaders, both sides became more informed, and both sides found common ground within the realities of property values and sustainable club operations.
- Deteriorated condition of facilities, and capital requirements to refurbish affected the valuation, and were structured into the capitalization plan, with support from architects, engineers, inspectors, and legal counsel.
- Longstanding adversity between property owners and the developer were managed by having separate but equal communications and extensive liaison as views are exchanged, and bulletproof research and analysis.
- The level of research, Technical attributes of valuation methodology, analysis and support for recommendations withstood intensive scrutiny by many participants.
- Consensus was achieved in an orderly process, and the parties agreed on the price and terms of a proposed HOA acquisition, and both parties agreed to financial terms.

