

Cantora refines Purvin & Gertz's assets



“Houston – we have a problem”

Earlier this year Purvin & Gertz Inc, an international energy consulting firm, headquartered in Houston, Texas was forced to relocate its London offices.

“Our landlords in Mayfair were redeveloping the building and we needed to move to new premises,” said Michael Corke, Senior VP and manager of the London office.

Purvin & Gertz secured a lease for their growing team at new offices in New Oxford Street. After an evaluation process, TDA Interiors were mandated to design and manage the new office fit out.

“Whilst we had not decided at that stage whether to buy or lease, we wanted to choose a partner that not only provided us with the right solution but also one that could organise fit-out financing should we need.”

TDA Interiors recommended Cantora Leasing, the specialists in fit-out financing.

“leasing helped us reduce the impact of our capital register on our stock price”

Balancing the stock price

As an employee owned firm, Purvin & Gertz normally makes an annual adjustment to its stock price based on, amongst other factors, the size of its capital register.

“ We decided to lease to reduce the impact on our stock price and balance the interests of old and new employee investors”, said Michael.

“ We are probably quite an unconventional leasing customer as we certainly don't have a cashflow issue and due to the way we manage our business, capital allowances have no real value to us”, Michael continued.

On completion of the fit-out project, Purvin & Gertz entered into a sale and leaseback transaction for all the components of the fit-out including fitted furniture, partitioning, lighting, flooring and the voice and data installation.

Straightforward process

“We didn't even think about asking our bank to support this financing as we wanted to work with a specialist in fit-out financing”, said Michael.

With a simple documentation process the transaction was soon completed to the satisfaction of all parties.

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But would Purvin & Gertz use Cantora Leasing again ?

“ If we decided leasing was our preferred route, then they would be an automatic call. I suppose if we wanted to enter into a comparison of prices we could, but frankly our time is better spent on driving revenues than worrying about a few pennies on the cost side”.