



## Confidential Information for Alex

### Buyer – 18 Willow Crescent

**Do not share this information with Jordan unless instructed at the conclusion of the exercise.**

You are Alex. You currently work as a commercial lending manager at Lakeshore Regional Bank. Recently, you met with Priya Mehta, the regional director of a rapidly growing multinational senior housing development company called SilverBridge Communities. Two years ago, your bank financed the construction of SilverBridge's first assisted living complex in your city. The project was successful, though sales have progressed more slowly than initially projected.

SilverBridge has now purchased the former warehouse located east of Harbour Avenue. The company plans to convert the building into its regional administrative headquarters. However, municipal regulations require that the office conversion include a specified number of additional parking spaces. There is insufficient land east of Harbour Avenue to meet this requirement.

The company has therefore decided to quietly acquire residential properties west of Harbour Avenue for parking development.

# What You Know

SilverBridge has:

- Signed a confidential contract to purchase **Lot 22**, directly adjacent to 18 Willow Crescent, for **\$275,000**.
- Agreed to strict confidentiality provisions preventing disclosure of buyer identity or purchase price.
- Authorized you to attempt to purchase **18 Willow Crescent (Lot 18)** for **up to \$290,000**.
- Strongly preferred to keep the purchase price below **\$270,000** if possible.

The company only needs approximately the eastern one-third of Lot 18, combined with Lot 22, to satisfy parking requirements. However, it plans to demolish both homes and landscape the remainder of the lots to shield the parking area from view.

SilverBridge has not yet announced its headquarters move publicly. If news spreads that the company is assembling properties west of Harbour Avenue:

- Remaining homeowners may refuse to sell.
- Prices may escalate significantly.
- Organized resistance from the Preservation Association could arise.
- Political scrutiny could delay development approvals.

**Speed and discretion are critical.**

## Your Role

SilverBridge has hired you as a discreet acquisition intermediary. The bank has approved this arrangement.

### You will receive:

- A \$15,000 consulting fee if the purchase closes.
- Potential future employment consideration with SilverBridge, whose salaries significantly exceed your current compensation.

# Your Financial Reality and Ethical Tension

However, you face a serious ethical tension.

You personally live in Maple Heights. Your spouse grew up there. You attend community events. Your children play in that neighborhood park. You know the preservation history of the area and the emotional weight attached to these Victorian homes.

You also know that demolition is likely.

## Your personal financial situation is strained:

### Family Obligations

Four children, including one newborn

### Education Costs

Significant university tuition savings obligations

### Vehicle Repairs

A vehicle requiring major repairs

### Debt Payments

Ongoing student loan repayments

### Housing Costs

Rising mortgage interest rates on your own home

The consulting fee would provide meaningful relief.

Additionally, SilverBridge hinted that if this acquisition proceeds smoothly, they may offer you a senior financial operations role.

## Your professional ambitions are tied to this outcome.

# Ethical and Legal Constraints

In this jurisdiction, acting as a purchasing intermediary is legal.

## However:

- If directly asked whether you are representing another party and you falsely deny it, the seller could void the contract for misrepresentation.
- You are permitted to avoid volunteering information.
- You are not permitted to lie if explicitly questioned.

You are unsure whether Jordan will ask about your intentions.

You anticipate that Jordan may be sensitive to commercial development due to family ties and preservation activism.

## Complicating Factors

You were not told until yesterday that:

- The company is also in confidential discussions to purchase **Lot 24** for \$305,000 as a contingency plan.
- If you fail to secure Lot 18, SilverBridge will likely purchase Lot 24 instead.
- Acquiring Lot 24 would eliminate a well-maintained historic home, causing greater community backlash.
- Lot 24's owner is elderly and unaware of potential development plans.

If you secure Lot 18 instead:

- The parking footprint could be optimized.
- Fewer total demolitions might occur.
- The company could potentially incorporate architectural elements from the original facade into its landscaping design (though no commitment has been made).

This creates a subtle moral calculus: acquiring Lot 18 may actually reduce overall neighborhood impact compared to the alternative.

# Time Pressure and Contractual Preferences

## Time Pressure

SilverBridge needs possession within **30 days of contract signing** to align with construction timelines and financing milestones.

Delays could:

- Trigger financing penalties.
- Cause investor concerns.
- Lead to reassessment of the headquarters location.

If the deal closes quickly, the project proceeds smoothly. If not, uncertainty increases.

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## Contractual Preferences

SilverBridge prefers:

1. Possession within **30 days** (strong preference).
2. No restrictive preservation clauses that would limit demolition or redevelopment.
3. Standard earnest money deposit of 10%.
4. Clean transfer without removal of structural components that might complicate demolition logistics.

### You are authorized to:

- Increase the earnest money to 15% if necessary.
- Negotiate minor possession flexibility if absolutely required.
- Offer modest premium pricing in exchange for fewer contractual restrictions.

### You are not authorized to:

- Agree to permanent architectural preservation requirements.
- Commit to maintaining cedar siding.
- Publicly acknowledge SilverBridge's involvement before closing.

# Your Interests and Internal Conflict

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**Close the deal under \$270,000 if possible**

02

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**Avoid triggering suspicion about commercial intent**

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**Maintain legal compliance**

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**Secure the consulting fee and future opportunity**

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**Minimize personal reputational harm within the community**

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**Avoid a scenario that leads to larger neighborhood disruption**

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## Internal Conflict

You understand that Jordan's aunt may rely on this sale for financial security. You also suspect there may be sentimental attachment and preservation concerns.

You face competing values:

- Professional advancement.
- Financial necessity.
- Community loyalty.
- Ethical transparency.
- Strategic discretion.

A purely distributive negotiation focused only on price could cause the deal to collapse or trigger distrust.

A collaborative negotiation could reveal:

- Creative structuring options.
- Conditional clauses.
- Staged possession.
- Partial lot subdivision possibilities.
- Grant eligibility implications.
- Reputational protections.

There may be ways to create value beyond price.

**Prepare carefully.** The outcome affects your finances, your career trajectory, and potentially the character of Maple Heights.