



CASE STUDY

CORPORATE HEADQUARTERS RELOCATION



118,351 SF

- SUBLEASE
- EXTENSION

DALLAS, TX



PROJECT & SCOPE

- Leveraged the negotiation and lease extension of an existing lease of 65,000 SF.
- Increase the square footage from 65,000 SF to 110,000 SF to cover future growth.
- Initial offer from landlord to renew was negotiated from \$27.00/SF to \$21.00/SF at the Galleria.
- Leveraged Galleria to negotiate 150,000 SF sublease at \$10.00/SF less than the sublessor's total rate.
- Negotiations included \$2,000,000 of FF&E
- Strategy was to identify compatible space in the area and obtain a bonafide competitive rate to be used as leverage with the existing landlord.
- Market search goal was to find approximately 125,000 – 150,000 SF of first class, long-term sublease space that would provide a corporate headquarters environment and meet future space requirements.

VALUE ADDED

- Convince existing landlord that we had another viable and competitive site with firm lower rates, terms, and options, and that our client would relocate.
- Negotiated a 6 ½ year sublease in AAA space in a new (2 year old) office building, at \$10.00/SF below the sublessor's actual costs.
- Negotiated with the sublessor to include \$2 million of new office furniture and equipment in the base rent.
- Covered parking – the site has only surface parking and the client required covered. We negotiated to have the owners cover the costs of a covered garage.
- Tax abatement – Negotiated with the City of Plano to transfer to our client the same tax incentives awarded to the original tenant of the building. Estimated value is approximately \$140,000.
- Rental Rate Reduction
- Tax Abatement Pass-through(es)
- Furniture – Equipment New
- Garage – Owner Contribution
- **Total Value Added: \$9.2 Million**