



# CASE STUDY

## REGIONAL HEADQUARTERS / ASSEMBLY / WAREHOUSE



**206,000 SF  
BUILD-TO-SUIT  
LEASE  
PORTSMOUTH, NH**



### PROJECT & SCOPE

- Client directed SRG to renew existing 206,000 SF lease at Exeter, NH.
- Evaluate future space programming requirements for office, assembly, warehouse and distribution functions.
- Very important not to disturb existing labor force demographics.
- Study efficiency of relocating/consolidating operations to new design build.
- Initial study revealed that existing facility was expensive “office space” that was converted into assembly-repair- testing and warehouse space.
- Further study revealed that the actual space required in an efficient layout. Was only 206,000 SF, not 268,000 SF currently leased.
- The scope of the project changed drastically, as a result of SRG’s findings. Project went from a simple renewal of existing space to a land search for 20-30 acres and a build-to-suit for 206,000 SF.
- Project included detailed study of city & state tax incentives.

### VALUE ADDED

- Thoroughly evaluated over 11 sites throughout New Hampshire including; pricing, access, utilities, topography, environmental, local town politics and city incentives.
- SRG had to negotiate a long term, 56 year ground lease and then convince Equity Purchasers (lenders) to finance for a 15 yr lease to build on ground lease.
- SRG acted as the broker and developer for the client. Resulted in developer cost savings & profit of \$4.2M.
- Did not renew existing lease.
- Acted as developer at no cost to the client, reduced overall costs, increased development profits.
- **Total Value Added: \$9 Million**