



# CB RICHARD ELLIS

## Real Estate Insider

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## *Are you at the "Bottom of the Rent Market" ?*

It is our job to find the "Bottom of the Rent Market". Our proven process, transaction volume and recent experiences enable us to add significant value to a real estate transaction. This systematic approach helps us deliver superior results and reduce occupancy costs by re-structuring leases.

### Where is the Bottom of the Rent Market?

Current market conditions are causing owners to be very aggressive in their proposals to secure new tenants or to keep current tenants. All elements of a lease transaction are fair game.

Typical considerations are:

1. Reduced Base Rent
2. Free Base Rent for a period
3. Tenant Improvements, typically paid by the Landlord (Turn-key)
4. Price protection for the new term
5. Potential lease termination rights.

#### Timing is Critical

- For Landlords to consider re-structuring a lease, it is ideal if a company has 1-3 years of remaining lease term.

#### Evaluate your Space Requirement

- Have your space needs changed?
- Would you relocate for a superior opportunity?
- How would your current situation be improved?

#### Immediate Bottom Line Savings

- The re-structured lease typically starts immediately – so rent relief takes place right away.
- In certain cases, your Security Deposit may be returned.
- Property Tax and CAM Audit should be completed to correct any over-billings.

#### Align your Real Estate Expense with Possible Reduced Revenues

- Your cost of occupancy should fall back into line with historic revenue ratios.
- The lease re-structuring provides a hedge against inflationary trends on the horizon.
- Lock in immediate rent savings.

### Recent Transactions

Buffets, Inc Headquarters  
44,000 SF

Opportunity Partners  
13,000 SF

Ecessa  
8,000 SF

Prime Therapeutics  
77,000 SF

Apogee Headquarters  
14,000 SF

Green Tree Servicing  
80,000 SF

### Our Team & CBRE

Our comprehensive services and delivery platform has set the benchmark for the industry.

Proprietary market research and analytical tools, coupled with state-of-the-art technology resources ensure that we approach every assignment with an unmatched level of market intelligence and insight.

A culture of collaboration empowers our people – and our clients – with the information they need to anticipate market opportunities, gain a competitive advantage and execute the best possible real estate strategies.