

# CASE STUDY



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## QUICK FACTS

- CBRE Single Point of Contact for Nikon National
- 15 transactions completed in the last 10 years

## CBRE SERVICES PROVIDED

- Property Disposition
- Sublease Disposition
- Lease Acquisition
- Financial Analysis and Consulting
- Site Selection / Analysis

## CASE STUDY

**The Client** Nikon Inc. (National Point of Contact)  
15 Transactions Completed in the Last 10 Years

**The Project** Simultaneous Sublease / Disposition / Lease Acquisition

### The Challenge

- Due to changes in the shipping industry, Nikon's business changed and its real estate requirements shifted
- The client moved its warehouse function to the Central U.S. and abandoned its in-house design group—needed to sublease a portion of its vacated space and determine if it should sell the property entirely
- At the same time, the client wanted to enhance its image with a new West Coast Regional Headquarters and Customer Service Center—needed a high-quality building with ground-level loading, but in a Class A market

### The Solution

- Orchestrated a short-term sublease strategy to secure additional rental income on vacated space
- Conducted financial modeling to assist in valuing Nikon's owned property on a sale/lease-back versus vacant building basis
- Identified a tenant with a lease requirement that matched Nikon's for-sale property and negotiated a higher sale price by guaranteeing the tenant—achieved the highest price per square foot in that market
- Utilized CBRE's network to simultaneously explore multiple submarkets in Los Angeles and Orange County for the Headquarters/Customer Service Center
- Coordinated all space plan due diligence in order to align timing for Nikon's relocation into newly upgraded leased facility in El Segundo, CA

### The Results

- Generated approximately \$100,000 of unrealized income through subleasing
- Positioned property for sale and achieved highest price per square foot in market—grossed \$12.5 million
- Identified space that met Nikon's needs for ground-floor truck loading and ease of access for their customer service component with building signage identity in a Class A space to meet their headquarters needs
- Secured lowest effective rental rate and a substantial Tenant Improvement allowance for Nikon's new West Coast Regional Headquarters and Customer Service Center