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Delivering Cost Savings for Tech Company Through a Renewal Negotiation

Client Profile

Annual Revenue:	\$25 million
Entity Structure:	Corporation
Industry:	Technology
Geographic Footprint:	Based in Chicago
Ownership Structure:	Privately Held

Innovative & Strategic Tenant Solutions

CBIZ Gibraltar Real Estate Services is fully committed to advocating the interests and needs of tenants.

Issue

A technology company had its operations disrupted by the COVID-19 pandemic. With 18 months left on its current lease, the company was considering whether its operations required the same amount of physical workspace, and needed to assess the impact that a reconfiguration of its office environment might have on its upcoming lease renewal negotiation.

Solution

Our tenant advisory team worked with the client to evaluate its current lease agreement, staffing projections, collaboration needs, support space requirements, remote work arrangements, and other operational needs to determine how best to meet its demand for space. The team developed a workplace configuration strategy, performed an analysis of real estate financials and engaged the company's current landlord, along with competing buildings, to leverage concessions in the lease negotiation. The result was a successful competitive lease renewal that yielded short- and long-term cost savings for the company, while minimizing disruption to its operations.

Outcome

The technology company shaved 3,000 SF off its physical work environment, which is now better suited to its current and future needs. Our team negotiated extensive tenant improvement allowances and secured a generous up-front rate abatement upon lease renewal. The smaller footprint and successful negotiations ensure long-term cost savings for the client.

In the ever-changing real estate market, tenants need an advocate partner and proactive approach to negotiating, evaluating, and managing their physical space needs. Whether seeking to acquire or dispose of space, CBIZ Gibraltar Real Estate Services helps your organization make informed business decisions about its work spaces. As an independent platform, our tenant advisory team avoids conflicts of interest that may be common at dual agency brokerage firms, and is fully dedicated designing and executing solutions in the tenant's best interest.



To learn more about CBIZ's real estate services, contact Steven Joseph.

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