



US Bank Centre - Seattle

182,387 SF Negotiation

Challenge

Attempt to reduce client's rental rate and occupancy costs mid-term in a 20 year lease in downtown Seattle. Client is the anchor tenant in the building with naming rights as well. The existing lease called for a "market rate adjustment" but was vague as to methodology in determining such figures. Additionally, there were no comparable deals completed in the market place other than several large transactions in the mid/high-rise portion of the building at substantially higher rental rates than what Client was paying at the time.

Strategy

Engaged the help of four (4) appraisal firms to assist in establishing a group of generally accepted comparable Class A buildings in the Seattle CBD. Engaged three other major landlords to provide information in order to define a "blended" rental rate and concession package for other significant transactions (office, retail and storage) in that focus group of buildings.

Result

Client reduced its occupancy cost by over a million dollars in 2005. Received an additional cash payment from the landlord in the amount of \$670,000 and realized a savings over the remaining lease term of approximately \$5.5 million dollars.



"Jason not only recognized and leveraged the prevailing market forces to secure the best overall value for the Bank, but also took the time to understand our internal space needs which really yielded significant dividends. Jason also is extremely familiar with the legal documentation. Our internal counsel was delighted to work with someone truly concerned with the detail of the transaction which can be so easily overlooked."