



LONG TERM CARE GROUP

Corporate Client

www.ltcg.com

PROJECT OVERVIEW: TENANT REPRESENTATION

The Advisory Services Group was engaged in May 2016 to represent Long Term Care Group (LTCG) in a potential renewal or relocation of its office space. LTCG is the largest third party long term care insurance administrator in the industry today, managing over one million policies.

BUILDING

Praire Lakes Corporate Center
11010 Praire Lakes Drive
Eden Prairie, MN 55344

SQUARE FOOTAGE

55,560 SF

SERVICES

- Site Selection
- Lease Negotiations

APPROACH

- Identified objectives of remaining in Southwest submarket, reducing occupancy costs, and accommodating future growth and free parking for up to 300 employees.
- Conducted a market search and evaluated options, with tours/presentations for 4 properties.
- Issued an RFP and had fit plans, construction pricing and move costs developed for 4 properties, including the client's existing location.
- Narrowed the search to 2 preferred options, including the client's current location.

RESULTS

- A letter of intent for a lease extension was at Praire Lakes Corporate Center executed on November 28, 2016.
- The amendment for a long-term lease extension was executed on February 24, 2017, to commence on June 1, 2017.
- From landlord's initial proposal through final negotiations, reduced the size of client's existing premises by 6,729 SF and reduced the average annual occupancy cost by \$315,000, or \$2.5M over the lease term, versus the client's current spend.
- Achieved a rental rate reduction of \$2.83 per square foot off the initial proposal, for a total value of \$1.25M over the lease term.
- Through negotiations, landlord agreed to turn-key improvements, including carpet, paint and decommissioning client's data center (\$878,000 value).
- Secured further flexibility with a contraction option after the 36th month of the lease term.