



JORDACHE

Jordache Enterprises, Inc.

1400 Broadway

Entire 14th & 15th Floors

67,875 Rentable Square Feet

over three non-contiguous floors. We were hired by Jordache two years before their lease expiration to simultaneously negotiate their renewal and negotiate alternatives in the marketplace.

After surveying the market and identifying several options, we submitted offers to three buildings within a four block radius including 1407 Broadway, 1370 Broadway and 1372 Broadway (a long term sublease from Walmart). After extensive negotiations, 1372 Broadway came back with the most aggressive offer out of the three buildings with a starting base rent below \$40.00 per square foot, a full work allowance and a substantial free rent package. Not only did we leverage the Walmart offer against ownership at 1400 Broadway but we demonstrated the tremendous value of maintaining Jordache's tenancy. If Jordache decided to leave the building, we explained, all of their space would have to be demolished and ownership would have to supply a new tenant with a full building installation and a market free rent package which would total over \$6,000,000. Not to mention the vacancy rate in the building would spike significantly.

We were able to negotiate the landlord down to a deal \$10.00 below the market, one year before the lease came due while securing ten (10) months of free rent and \$37.25 per square foot in cash to improve the space which was already in good condition. We were also successful in changing Jordache's rent escalation from a Consumer Price Index (CPI) to a direct operation escalation which will end up saving the company approximately \$4,000,000 over the ten-year term.

In the end, we were able to negotiate a huge concession package equal to 22 months of rent (an approx. \$4.7 million value) and \$38.00 per square foot compared to the Landlord's initial "best and final offer" of \$48.00 per square foot and seven (7) months of free rent.