

Case Study:
REZNICK GROUP, P.C.



CHERRY & ASSOCIATES
the office tenant rep experts

CLIENT: Reznick Group, P.C.
TRANSACTION:
12,892 SF Sublease Disposition
CURRENT EMPLOYEES:
1,300 in the U.S
LOCATION:
525 North Tryon Street (CBD)
Charlotte, NC
REAL ESTATE TYPE: Regional Office



ASSIGNMENT: Find a suitable subtenant to lease one of Reznick's full floors

CHALLENGE: During the real estate boom, Reznick relocated its office to the Central Business District. At that time, Class A vacancy was less than 2% in downtown Charlotte. 525 N. Tryon was one of the only options that could accommodate Reznick's size. The Class A building sits at the northern most edge of the Central Business District, making it less desirable for tenants, once vacancies in better positioned buildings rose in the economic downturn. Even at a discounted rate, finding a subtenant would be challenging. This was especially true, knowing that the Landlord had direct space in the building that had not been toured by a prospect in over 6 months.



STRATEGY: Cherry & Associates advised Reznick that the condition of the floor would need to be improved, in order to generate any interest. Reznick had never occupied the floor, so it was outdated with the previous tenant's finishes. Plans were priced and work was to commence to bring the space up to current market standards. We discussed the plans with several brokers, ultimately leading to a tour from a potential subtenant, prior to the work being started. After we determined that the subtenant was interested, negotiations were quickly initiated, in order for the subtenant to take advantage of the funds Reznick was willing to spend on the space.

THE RESULT: Given the low likelihood that this space could be subleased with the amount of vacancy on the market, we successfully secured a full floor subtenant for the balance of the remaining term (Approx. 5 Years), saving Reznick \$454,000.