

Case Study:
HENDRICK CONSTRUCTION, INC.



CHERRY & ASSOCIATES
the office tenant rep experts

CLIENT:

Hendrick Construction, Inc.

TRANSACTION:

5,530 SF & 4,938 SF Expansion

LOCATION:

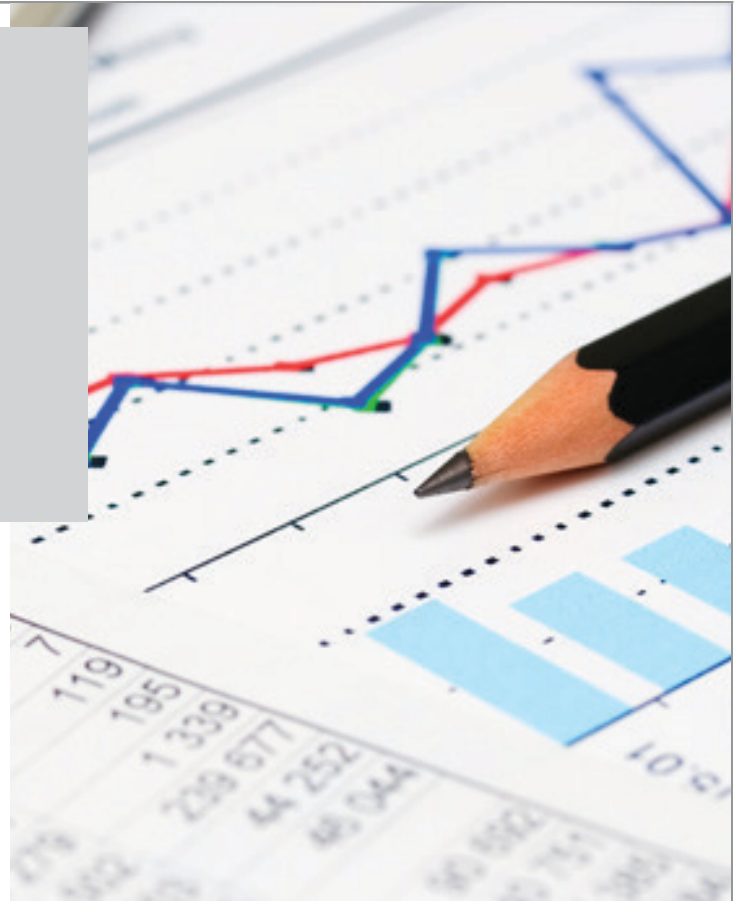
Arrow Point III, Charlotte, NC

LANDLORD:

Accesso Partners

TENANT PROFILE:

A general contractor providing construction services throughout the Southeast.



ASSIGNMENT: Hendrick Construction (HC) received their 2017 Estimated Operating Expenses letter in May 2017. C&A was charged with reviewing the Operating Expenses to determine if the 2017 estimated calculation was appropriate.

CHALLENGE: Given that HC's Landlord did not have a physical location in Charlotte, C&A worked through the local property manager and the Landlord's accounting department to understand how Operating Expenses were being calculated. Estimates appeared to be very high based on typical expenses in similar buildings.

STRATEGY: With the understanding that HC was operating under a 2015 Base Year, C&A requested a copy of the 2017 estimates and 2016 actual Operating Expenses. C&A performed a desktop audit against the lease, detailing the proper protocol for passing through expenses to our client over the 2015 Base Year.

THE RESULT: C&A determined that HC had been overcharged for 2017 estimates, prompting a credit in the amount of \$24,419. Furthermore, HC owed nothing for the expense passthroughs for the remainder of the year. C&A also determined overpayment for the 2016 reconciliation, prompting HC to receive a credit in the amount of \$2,817.

HENDRICK CONSTRUCTION, INC.
▲ build. ▲ innovate. ▲ sustain.