

CASE STUDY:



Challenge:

Charles Schwab wanted to grow its presence in the DFW market in an effort to rival its competitors and strategically reduce its real estate costs. Schwab's long term plan was to develop an amenity rich, mega-campus to recruit and retain its employee base but the urgency to put "boots on the ground" in DFW had taken priority. Rubicon was charged with identifying all 130,000 square foot office options, for Schwab's swing space, across Dallas/Fort Worth that could accommodate Schwab's requirements. Schwab is very private, so security of the building and premises was critical.

Action:

Rubicon proactively identified all office buildings, on and off market, from west Fort Worth to east Richardson in an effort to proliferate options. Rubicon drove the market for 3 days to ascertain no buildings were left off our survey. Additionally, we called all tenants between 100-200,000 square feet, whose leases expired within the next 4 years, to inquire if they were vacating or had any interest in vacating. We began to narrow the scope and negotiated with 9 building owners. Subsequently, given the confidentiality of the transaction, we required our top 3 buildings to sign NDA's and revealed the Fortune 500 credit as a ploy to maximize leverage and attain the best results for our client.

Result:

Rubicon secured a six year, 130,000 square foot, single tenant office building, at 2050 Roanoke Road in Westlake, by negotiating a buyout (in conjunction with the landlord) with an existing tenant who had 3 years left on their lease. The building uniquely offered Schwab a private campus style setting with a cafeteria, its own security, garage parking, furniture, and a generator. Rubicon was successful in structuring a lease that allowed Schwab to manage the building and have full control of the operations, without being liable for any capital improvements, at below market rents, a healthy tenant improvement allowance and sound lease terms that protect our client.