

## **Verizon Wireless**

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**Building:** 8 Neshaminy Interplex, Trevoose, PA

**Service:** Corporate Services/Tenant Representation

**Transaction Size:** 65,000 SF

**Transaction Type:** Acquisition/Lease Restructure

**Client:** Verizon Wireless

**Industry:** Communications

**Transaction Value:** \$9,100,000

**Transacted By:** Brian K. Edmonds, Managing Director

### **Description:**

Verizon Wireless was occupying 65,829 rentable square feet (rsf) in 8 Neshaminy Interplex, a Class A office complex in a suburban Philadelphia submarket. The location served as the Regional headquarters for the Company who were happy with their long term tenancy.

While the current lease had a number of years remaining, The Advisors at SVN | The Concordis Group were engaged and charged with taking an early look at the market compared to the Company's current lease at 8 Neshaminy. In accessing the market, recent lease comps and availabilities, it was determined that the opportunity was timely to explore rent reduction strategies. The current Landlord was approached regarding restructuring the lease and proposals were received from four (4) building alternatives. Ultimately, while the client preference and focus remained on extending their tenancy in 8 Neshaminy, the market competition helped in negotiating increased concessions over time at 8 Neshaminy.

After an extended negotiation period a lease restructure transaction ("blend & extend") was concluded that resulted in an immediate occupancy cost reduction of 27%. The reduction in rental achieved a well below market rate with the rent reduction over the current term (i.e. Landlord's "forgone" or forgiven rent) comparable to market driven "free" rent.