



LEE PARTNERS
COMMERCIAL REAL ESTATE SERVICES

530 VIRGINIA ROAD, CONCORD, MA

CASE STUDY

HAMILTON
BROOK
SMITH &
REYNOLDS, P.C.

THE SITUATION

Founded in 1980, Hamilton, Brook, Smith & Reynolds (HBSR) is one of the largest patent attorney's offices in Massachusetts. The firm has over 60 attorneys, patent agents, and technology specialist representing investors, start-up companies, academic and research institutions, and Fortune 500 corporations. Their specialty expertise in patent law and technology was in critical demand with the white hot local economy producing the country's highest concentration of new ideas. The firm needed to expand in size and consolidate their four disparate locations in Lexington, MA into one central facility.

THE CHALLENGE

In addition to their expansion needs, real estate pressure was also mounting as one of the buildings they occupied was in the process of being sold and the leases on the other buildings were rapidly coming due. Another issue at hand was that continuity of client service was becoming more challenging for HBSR because of the fact that they were located in four separate buildings. With the accounting division in one space, administration in another, and the attorney's spread out in yet two others, a search committee was put together to identify their options. Another important consideration was, like many other law firms, HBSR is a partnership, and each of the partners had to agree upon the final choice. The market in 1999/2000 was marked by exploding lease rates due to aggressive leasing demands placed by internet and telecom companies flush with venture capital. HBSR required class A, fully built-out space, though most available space was offered 'as is' and landlords were demanding two years rent for security. In such a market, landlords were reluctant to consider providing expensive build-out allowances to meet the needs of HBSR for individual attorney's offices.

THE RESPONSE

Lee Partners, in conjunction with another local service provider, gained the confidence of the firm and initiated a thorough search of the market. Our team conducted tours of available sites, generated surveys and requests for proposals, and wrote letters of intent for each of the final choices. A key turning point occurred when a build-to-suit opportunity that had previously been committed to suddenly became available. After frank discussion and consultation over the various details, we seized this opportunity, negotiated for the site and secured a competitive deal with a proven local developer/contractor team.

THE RESULTS

Lee Partners negotiated with HBSR's current landlord, and were able to extend the existing lease terms to coincide with the construction timetable for a new building. The new lease at this build-to-suit opportunity was for nearly 60,000 square feet over a multiple year term. Tenant improvement allowances were secured from the developer and a reasonable security deposit was negotiated. The annual savings realized by going with this option were estimated at more than \$500,000.

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