



CASE STUDY

200 METROWEST TECH DRIVE, MAYNARD, MA



THE SITUATION

PhotonEx is a cutting edge optical networking firm founded by some of the most well respected local engineers and business pundits in the country. As their market grew, PhotonEx needed to rapidly expand from 28,000 square feet into 100,000 - 150,000 square feet in order to meet the needs of product development. A much enlarged telecommunications laboratory with heavy power and unique AC requirements was called for to meet the demands of advanced systems development. Increasingly concerned about their highly volatile market window, PhotonEx required immediate space so that development could commence without delay. Their current facility was dramatically overcrowded and could neither support their development needs nor their growth-oriented business objectives.

THE CHALLENGE

After conducting a thorough search of the local Route 128 area, it was determined that no such space was cost effectively available. The most crucial engineering effort to date was to begin within 6 months and the lease transaction needed to be completed prior to commencement. A select few locations in close proximity were initially found, though the landlords each indicated that they would not include build-out dollars for the required renovations. A major consideration was that PhotonEx needed cost effective space that had computer lab areas ready to move into quickly that would not require a massive time and dollar investment for build-out.

THE RESPONSE

After many discussions and inquiries, Lee Partners identified an alternative location that was more cost effective and had the specifications required by PhotonEx. Furthermore, the space was within a newly redeveloped R&D park where the owner would provide significant dollars for final build-out. As part of the negotiations, free rent was secured to allow for transition into the space.

THE RESULTS

PhotonEx signed a lease for approximately 154,000 square feet of office/R&D space including nearly 30,000 square feet of computer lab space. The transition into the new space exceeded their time requirement and allowed product development to proceed without missing vital milestones. The negotiated multi-year, multi-million dollar lease included significant landlord concessions and considerable extension options. In addition to completing the transaction under PhotonEx's strict timetable, this final choice resulted in approximately \$10M in savings compared to the alternative Route 128 locations.

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