



COMMERCIAL REAL ESTATE SOLUTIONS

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CASE STUDY

**Client Since:** 2007

**Services**

Tenant Representation

**Scope**

84,493 RSF Office Lease  
5,000 RSF Warehouse Lease  
6,000 RSF Office Disposition

**Geography**

Richmond, VA



## AECOM, Inc.

### Summary

In October 2007, Cole Clarkson was hired to represent AECOM, Inc. (“AECOM”) on a local Richmond assignment. With 17 months remaining on their current lease, a project schedule was established. The first steps in the site selection process were to conduct building tours, develop a short list of viable alternatives, and begin the process of creating an environment where several Landlords where competing for AECOM’s tenancy.

Following building tours, a list of four alternatives were selected to receive a Request for Proposal (“RFP”). Proposals where then received, financial comparison finalized, and a list of three finalists determined. A second round of RFP’s was then submitted to the finalists and a second financial comparison completed. A preferred building was then selected to receive our Letter of Intent. Negotiations were then completed and a lease document secured.

### Value Creation

- Achieved overall quantifiable savings of \$3,220,473. \$2,370,473 in rent savings and +/- \$850,000 worth of brand new unused furniture. This savings represents a 24% improvement from the Landlord’s originally proposed deal.
- Negotiated a “take-down” rent structure where by AECOM was only responsible for paying rent on half of their space for the initial two years of the term. During this time, however, AECOM was able to occupy the entire Premises.
- Negotiated Rights of First Refusal on all remaining space in the Building and neighboring building providing AECOM with expansion flexibility.
- Negotiated an extremely favorable cancellation penalty equal to \$300,000. This represents approximately three months of gross rent.
- **In 2013, leveraged cancellation option to downsize by 24,000 rsf achieving additional savings of \$1,500,000.**

