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The Value of Hughes Marino as Your Lease Negotiator

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With Hughes Marino's commitment to confidentiality, it is not often we are able to illustrate the value and savings our clients receive. But between March and May 2013, two government agencies undertook significant lease negotiations in downtown San Diego, making their transactions public. These two leases provide an excellent comparison to demonstrate the value of working with Hughes Marino.

In the first transaction, the City of San Diego retained me to negotiate its lease at 525 B Street. A second transaction, signed by the San Diego Association of Governments (SANDAG) for comparable space directly across the street with similar floors, views, and quality of building, was not represented by Hughes Marino.

The table below illustrates our firm's unique ability to secure a far superior deal for our client. As you can see from the side-by-side comparison, you pay a big premium for negotiating without Hughes Marino's collective bargaining power.

	City of San Diego	SANDAG
Square Footage ¹	90,000	90,000
Building	525 B Street	401 B Street
Term	6 years	5.5 years
Start Rate	\$1.25	\$2.17
Average effective monthly rent over term after concessions ^{1,2}	\$126,000	\$200,000
Premium paid for not being represented by Hughes Marino	—	59% higher lease rate

Notes:

(1) 90,000 used for purpose of fair comparison. Actual square footage was 90,317 for City of San Diego and 93,984 for SANDAG.

(2) The Average Effective Monthly Rent includes concessions given, including parking and early renewal incentives.

For a more detailed comparison of the two leases, check out this post from Voice of San Diego: <http://voiceofsandiego.org/2013/06/10/sandags-new-office-lease-will-cost-millions-more-than-city/>

Jason Hughes is President and CEO of Hughes Marino, the largest Southern California commercial real estate company with brokers exclusively specializing in tenant representation for lease negotiations and building purchases. (619) 238-2111 or jason@hughesmarino.com to learn more.