

LEASING SUCCESS STORY

Client:

MTV Associates

Property:

Bank of America
2000 E. Lamar Blvd.
Arlington, TX

Size:

97,000 Square Feet

Property Description:

7 Story-Class A Office



Overview:

A premier office building in a prime location, the Bank of America Plaza had always enjoyed high occupancy, and commanded a premium rental rate. The softening office market conditions had not been addressed, and the occupancy had fallen to 73%. The ownership was looking for new leasing and management strategies.

The Problem:

The tenant retention rate was declining, as the current tenants felt they were being taken for granted. Little had changed in the management for 10 years and leasing had become stagnant.

The Solution:

The Class A building needed no capital improvements to entice new tenants, but it needed a fresh approach to management and leasing. SCM, at the owner's request kept the building's same on-site property manager, but implemented our own unique management program to cut costs and establish priorities to consistently improve the property's amenities and appeal. Within two years, SCM completed a lighting retrofit, installation of a closed circuit television system for added security, and recently completed specifications for adding the amenity of covered parking using a canopy system. Our leasing team proposed lowering the quoted lease rate and aggressively courting new tenants with some free rent and graduated rental rates.

The Results:

Three current tenants, whose terms expired, negotiated renewals instead of moving out. One tenant expanded adding 3,000 square feet upon renewal, bringing their total RSF to 16,970 with a six year term. SCM's aggressive marketing approach resulted in 5 new tenants in the building during the first year of leasing, totaling 13,988 square feet. These new additions and expansions resulted in an occupancy of 89% after the first 12 months of leasing, and an increase in the average rental rate of \$1.00 per square foot.