



# Success Story

# Texas Instruments

#### ASSIGNMENT SIZE

1,300 - 1,000,000 SF  
Washington, D.C.  
Ft. Lauderdale, FL  
Ft. Lauderdale, FL  
Indianapolis, IN  
Greenville, SC  
Orlando, FL  
Sunnyvale, CA  
Melbourne, FL  
Ottawa, ON  
Dallas, TX

#### OCCUPIER SERVICES PROVIDED

- Strategic Planning
- Market Studies
- Lease Review & Negotiations
- Cost/Benefit Analysis
- Transaction Management
- Client Reporting

#### CLIENT FEEDBACK

"Our relationship with Citadel Partners proved invaluable in guiding us through this time sensitive, cost savings process."

#### GARY METZLER

*Director of Global Real Estate, Texas Instruments*

#### The Challenge

Texas Instruments (TI) engaged the Citadel Partners to assist in renegotiating leases in numerous U.S. locations. The assignments included sales and engineering offices located from coast to coast, with sizes ranging from 1,300 to 1,000,000 square feet. Some of the locations had significant lease terms remaining and others were close to expiration. TI's objective was to lower existing rental payments and negotiate long-term agreements at favorable rates, while maintaining lease term flexibility. Several of the locations needed to be consolidated, and most required some level of leasehold improvements.

#### Our Strategic Approach

The strategy started with identifying the best local experts in the respective markets. We used experienced Citadel Partners advisors to help determine the market. We preemptively requested proposals to extend the lease terms, sometimes years in advance of expiration, in exchange for current concessions.

#### The Outcome

All of the objectives were accomplished. A significant transaction was the renegotiation of a 49,000 SF lease in Sunnyvale, California. Highlights include: Reduced rent in the last year of the existing term by 33%; Negotiated a 10-year lease with steps that never reached prior rent level, with a 19% overall cost avoidance; Obtained a leasehold improvement allowance and a very favorable termination option; Created a cost avoidance of an additional \$2M by starting the renegotiation over a year in advance and avoiding a 20+% increase in the Silicon Valley rental rate.