

# CASE STUDY:

## Communications Test Design, Inc.



### JCP ASSISTS CTDI IN SECURING TWO LEASE SOLUTION



#### KEY POINTS

- **“Dual” lease with short term and long term space requirements**
- **Expansion rights protected by favorable option**
- **Strong working relationship was created in the market**

#### Company Background

Founded in 1975, Communications Test Design, Inc. (CTDI) is a full-service, global engineering, repair and logistics company providing best-cost solutions to the communications industry. CTDI’s one-stop service commitment to customers has fueled their growth exponentially.

#### Real Estate Challenge

In Lebanon, TN, CTDI needed to find a solution that matched specific institutional grade product design characteristics for an unconventional size requirement for that market under extreme time pressure with expansion flexibility. This solution had to ensure little labor turnover from the existing location.

#### Customized Solution

Our Jackson Cross Partners (JCP) personnel teamed with a market broker/partner and canvassed the market first hand to verify availabilities and adverse market conditions. A two lease solution was devised, leasing a portion of an institutional grade facility, while occupying an adjacent suite at below market rent on a temporary basis. JCP was able to negotiate a favorable expansion option, that when notified by the landlord of its intent to lease the temporary space to a third party, allowed JCP to convert the lease to a ‘prime lease’, protecting CTDI’s expansion right, and enhancing the long term viability of the location.

#### Quantifiable Results

The JCP strategy resulted in meeting CTDI’s interim and long-term requirements while preserving future expansion needs. JCP leveraged the tenant’s creditworthiness to save expenses on the going in rent, and conserved cash while growing the requirement.

#### Ongoing Benefits

Locating in a highly visible and “image” conscious building furthers the CTDI brand in this market and markets around the country. The lease structure provides for additional long term flexibility in space use and length of commitment. The new location also provides access to new and existing labor markets. A strong working relationship developed with the landlord and the landlord’s representative, which will be instrumental in satisfying future requirements.

*- Jackson Cross Partners is a commercial real estate firm specializing in Advisory, CRE Strategies & Brokerage services*