

CASE STUDY



Advisian

WorleyParsons Group



CLIENT: Worley Parsons Group

ADDRESS: 4321 Still Creek Drive, Burnaby

AREA SIZE: 41,500 Sq. Ft.

TERM: 3 years

THE CHALLENGE: The recent economic downturn, due in part to reduced demand for raw materials, particularly oil and gas, has seen several international engineering firms with significant energy related disciplines reevaluate their facilities requirements. Advisian/Worley Parsons is one of those firms. Advisian/Worley Parsons occupies 51,505 square foot of office space on the 5th and 6th floors in 4321 Still Creek Drive, Burnaby, BC. Their current lease commitment expires in September 2016

THE SOLUTION: In May 2014, Messrs. Megan and Ulinder were engaged to advise how best to take advantage of new supply entering the market in 2015/16, coupled with weakening demand for suburban office space. Their proven track record representing large office users coupled with their significant experience in the engineering sector were determining factors in their appointment as Worley Parsons exclusive real estate advisor. Market conditions weakened through 2014/15 as demand from large office users waned. Further, several new buildings planned for delivery in 2015/16 had experienced virtually no preleasing and were slated to enter the market essentially vacant. In fall 2015, Messrs. Megan and Ulinder engaged selected suburban landlords regarding their interest in securing the Advisian/Worley Parsons tenancy. Given Advisian/Worley/Parsons profile, coupled with an absence of similarly sized tenancies in the market, interest in Worley Parsons tenancy was extremely strong. Ultimately, based upon a number of criteria it was determined an extension of lease at Still Creek Business Park was the most advantageous strategy for Advisian/Worley Parsons. In exchange for entering into an extension of term, the following concessions were secured

The landlord agreed to grant the right to return 10,000 square feet with the landlord funding the cost of dividing the redundant premises; The landlord agreed to grant a gross rent free period on the extended premises within the current lease term. Market leading lease terms satisfying WorleyParsons primary, near term objective of reducing their occupancy costs were secured.

All told, the landlord retained a significant income stream within their portfolio, avoiding substantial reletting costs and anticipated protracted vacanc