

Foothold Technology

36 East 12th Street • New York, NY

Foothold Technology is a software company who provides web based software services for human service providers.



Client Objectives

Foothold Technology had the opportunity to take advantage of a soft market at the end of 2010 and signed a lease for space in The Village. Fast forward five years the market had more then caught up with itself and rent in The Village, an area of the City with few office space options, had increased by more than 50%. Not wanting to leave this unique part of the city the Foothold team engaged Cresa to help put a plan into place.



Industry
Technology

Action

Knowing that Foothold wanted to stay in place long term and having 2 years remaining on their existing lease the Cresa team put a strategic plan in place to use the last 2 years of the lease as an asset in a potential lease restructure transaction at their current location. After agreeing to this plan with the Foothold team Cresa completed an extensive study of the marketplace to analyze numerous market lease transactions to find an average current net effective rent in The Village. Once that was completed the Cresa team looked at the historical data on that market and came up with a number they felt was significantly below market, but would still be a good deal should there be an unexpected dip in the rental rates in this market.



Savings
\$18.00 RSF

Results

Cresa negotiated a new 7 year deal that was \$18.00 RSF less than the last deal completed in the building. From a market analysis stand point the rent was north of a 25% savings from comparable transactions in the area. In addition, the free rent concessions were structured so the remaining 2 years of the existing lease payments were relatively unchanged.