



Spearheading a Win-Win for Nexelis Amid Rising Rents



Company

Nexelis is a leading provider of assay development and specialized laboratory testing.

Challenge

Prior to working with CBRE, Nexelis benefitted from a unique preferential low-cost leasing arrangement for their lab space in Laval's Biotech City.

The lease for their 40,000-square-foot facility was set to expire in 12 months. They had made major capital expenditures in the building and rental rates for labs had increased since their last negotiation.

Concerned that their lease renewal terms would strain their finances, Nexelis needed viable leasing options and leverage with their current landlord to negotiate the best possible renewal terms on a tight real estate budget.

Solution

Jeremy's team used its contacts and market knowledge to perform a detailed needs analysis, construct a timeline and renewal strategy, and scour the market for all lab options in greater Montreal, both existing spaces and those that could be built to Nexelis' specifications.

Uncovering plausible relocation options, Jeremy's team set up negotiations in which the current landlord no longer saw Nexelis as "captive" in the building.

Results

After multiple rounds of back-and-forth with the current landlord and two other motivated building owners, CBRE progressively improved Nexelis's negotiating position.

When the transaction closed, Nexelis benefited from a 10-year renewal and rental rates which were below the market rate. In addition, the win-win between Nexelis and the landlord improved an already healthy relationship.