



Headquarters Lease Termination/Relocations

Client:

McClatchy News Corporation as successor to Knight Ridder Publishing & Forest City Enterprises

Location:

50 West San Fernando Street, 35 South Market Street
and 75 East Santa Clara Street,
San Jose, CA 95113

Size:

87,000 square feet

Overview:

As a result of the purchase of Knight Ridder Publishing, the second largest newspaper publisher in the US, by McClatchy News Corporation, there was a need to dispose of 87,000 square feet of space in two buildings and relocate 15,000 feet for McClatchy's digital publishing group, McClatchy Interactive. This required careful analysis of all leaseholds and delicate discussions with existing tenants in the main headquarters building at 50 West San Fernando. Ritchie Commercial represented both the tenant McClatchy and the landlord Forest City.

Approach:

Ritchie Commercial marketed the 65,000 feet in the headquarters building to the general Silicon Valley tenant and brokerage community. A series of internal analyses and strategic presentations convinced anchor tenant, national law firm Littler Mendelson, to expand into two floors of 40,000 square feet. Ritchie Commercial also worked proactively to attract high profile tenant Accenture in a signature move from Palo Alto to Downtown San Jose for 32,000 square feet. All were lease terminations by McClatchy with new, direct, long-term leaseholds with Forest City.

There was another 22,000 foot leasehold at 35 South Market, a significant historic landmark building, which was subleased to sales compensation firm Xactly Corporation.

The group from 35 South Market, McClatchy Interactive, was relocated to 15,000 square feet at 75 East Santa Clara Street on a long term lease.

Results:

- Successfully transacted the termination or sublease of over 87,000 square feet of leases for McClatchy News Corp.
- Represented Forest City in over 65,000 square feet of new long term credit tenant leases.
- Disposed of 22,000 square feet for McClatchy in a second location.
- Procured 15,000 square feet for McClatchy Interactive in a third location.
- Entire assignment from start to finish was transacted in less than nine months.




THE MCCLATCHY COMPANY


FOREST CITY
ENTERPRISES

For more information,
please contact:
Mark Ritchie
President


RITCHIE Commercial
RESPONSIBLE REAL ESTATE

Ritchie Commercial Real Estate
351 California Street
Suite 150
San Francisco, California 94104
mritchie@ritchiecommercial.com
p: (415) 981-1115