



Headquarters/Call Center Relocation

Client:

The Warranty Group (formerly Aon Warranty Group)

Location:

175 W. Jackson
Chicago, Illinois

Size:

133,000 square feet

Overview:

Because of an impending acquisition and the desire for its own independent headquarters, Aon Warranty Group needed to relocate in a short timeframe. MB Real Estate was hired to analyze the cost differential between moving downtown and moving to the suburbs, as well as the cost and benefits of maintaining separate offices for the call center and executive operations or consolidating the two groups to one location. The goal was to complete the transaction in less than 6 months and to conduct preliminary negotiations on a confidential basis (due to the sensitivity that any rumors about an impending relocation might disrupt the existing employee base).

Approach:

MB Real Estate evaluated both downtown and suburban alternatives. The size of the premises ranged from 70,000 square feet to 130,000 square feet, depending on whether The Warranty Group consolidated or maintained separate operations. MB Real Estate analyzed the overall costs on a cash flow and GAAP accounting basis and compared a number of different options, including raw space, existing conditions, and subleases. In order to meet the client's short timeframe, MB Real Estate's project management group coordinated the build out, hired vendors, procured and compared bids, and negotiated fees and contracts for a myriad of vendors.

Results:

- Successfully consolidated headquarters and call center into the 11th and 12th floors of 175 W. Jackson
- Secured a below-market rental rate
- Negotiated substantial tenant improvement and furniture allowances
- Negotiated 20% decrease in parking fees
- Secured favorable expansion and cancellation options for improved flexibility
- MB Real Estate's project management group oversaw construction and brought the project in on time and under budget



the warranty groupsm

**For more information,
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