



CASE STUDY:	Time Kills Some Deals, Makes Others
TENANT:	EarthRoamer
TENANT REP:	Rare Space Inc.



There is a paradox in the traditional Recreational Vehicle model: RV owners can travel the world without having the expense of a hotel room, but they are often tethered down by dependence on external campsite hookups. For enthusiasts who want four-season access to remote wilderness areas without this dependence, the solution is EarthRoamer, an Xpedition Vehicle or “XV” that relies on renewable energy sources to power its operations.

EarthRoamer was founded in Colorado in 2002 by an outdoorsman and photographer who wanted access to and comfort within remote areas. The company grew organically and purchased a large facility for their manufacturing, office, and showroom needs during a boom period of sales but found that it was too large and costly when the economy contracted. They sold the building and went searching for a smaller space to lease.

Initially investigating lease options without representation, a space in the Longs Peak Business Center in Dacono was an early qualifier. Well located, ideally sized, and with a higher quality finish than most industrial or flex spaces, the only hesitation was that the landlord’s proposed lease rate structure was too expensive. At this point, realizing that they needed advice and guidance from real estate experts, Earthroamer brought in the Rare Space team to represent them in their search.

Rare Space helped EarthRoamer narrow in on several other options, and the frontrunner became a site in Louisville. We worked with their Economic Development Council to get approvals for use and signage and work through tax ramifications and credits. In a classic illustration of the real estate maxim “time kills deals”, the delays in this process allowed us to continue conversations with the landlord from Longs Peak. Realizing his competition, the landlord made concessions that sealed the 15,181 square foot lease. In this case, waiting it out and setting up a competitive bid environment allowed EarthRoamer to access the maximum negotiating leverage.

	First Offer	Rare Space Negotiated Final Offer
Starting Rental Rate	\$7.25	\$5.75
2nd Year Rental Rate	\$7.75	\$6.00
3rd Year Rental Rate	\$8.25	\$6.50
4th Year Rental Rate	\$8.75	\$7.00
5th Year Rental Rate	\$9.25	*Not Required
Free Rent	1 month	4 months
Real Estate Fee		Paid by Landlord
Occupancy Cost (4 year term)	\$476,618	\$354,222
Negotiated Savings		\$122,396 – 26% savings

“The Rare Space team did a great job of quickly narrowing down viable properties for our business, and they were very helpful negotiating good lease terms. We were on a tight time schedule and they were very efficient at getting us into space quickly.”

-Bill Swails, CEO of EarthRoamer