



<b>CASE STUDY:</b>	<b>Relocation, Expansion, Building Upgrade – Cost Comparison</b>
<b>TENANT:</b>	<b>Ontrack Data and Homeseekers</b>
<b>TENANT REP:</b>	<b>Rare Space Inc.</b>



Both Ontrack Data International and Homeseekers.com hired Tom Grotewold to represent them in their search for approximately 12,800 square feet in the Boulder County market. After touring several properties, Homeseekers was prepared to negotiate with a recently completed building at 5480 Valmont in Boulder. After the initial proposals, there was a meeting between the Tenant, Tom Grotewold and the Landlord, and it turned out that all of the parties knew each other from the Boulder area. Because everyone was familiar with each other and contrary to Grotewold’s advice, the Tenant decided to negotiate directly with the Landlord and ultimately consummated a lease in June 2002.

In July of 2002, Ontrack Data hired Grotewold as its Tenant Representative, and he began the search process in Boulder for approximately 12,800 square feet. Ontrack followed the advice of Grotewold and allowed him to implement a proven strategy. The strategy employed was to engage and negotiate with three different Landlords and create a competitive bid for Ontrack’s lease commitment. Ontrack ultimately signed a lease at 5480 Valmont.

Following completion of the Ontrack lease, Grotewold compared the Ontrack lease to the lease that was signed by Homeseekers, and the results are shown below

	<b>Homeseekers</b>	<b>Ontrack Data</b>	<b>Ontrack Savings</b>
<b>Lease Term</b>	5 Years	5 Years	--
<b>Starting Rental Rate</b>	\$16.50	\$15.50	(\$64,000)
<b>Rent Abatement</b>	5 months	7 months	(\$35,000)
<b>Tenant Improvement Allowance</b>	\$24.00/SF	\$30.00/SF	(\$76,400)
<b>Square Feet</b>	12,800	12,800	--
<b>Operating Expense Stop</b>	\$7.00/SF	\$8.00/SF	(\$64,000)
<b>Real Estate Fee</b>	Paid by Landlord	Paid by Landlord	--
<b>Total Savings to Ontrack</b>			(\$239,400)