



Special Libraries Association

Regions: Old Town Alexandria, VA

Service(s) Provided: Building Sale, Tenant Representation, Lease vs. Buy, Strategic Planning, Consulting

Size: 16,000 SF

Challenge

The Special Libraries Association (SLA) is a nonprofit global organization for innovative information professionals and their strategic partners in business, government, academic, and other “specialized” settings.

SLA purchased 331-335 S. Patrick Street in 2003 as its headquarters building, relocating from downtown Washington, DC. It originally occupied the entire 16,000 square feet for its own use. However, approximately ten years later with the advent of technology and widespread use of the Internet, the library industry had changed dramatically. SLA’s office space needs and staffing had also changed with seven staff occupying the entire building. It needed help in evaluating its options moving forward as to leasing out the vacant space to other tenants or selling the building and relocating to smaller leased or owned office space.

Solutions

SLA hired Newmark to provide a strategic real estate plan analysis. An extensive own versus lease analysis was undertaken determining the operating costs of owning the building with the added transaction costs (tenant improvements, attorney’s fees, and commissions) of acquiring new tenants. This was compared to selling the building and relocating to more economical space in both size and occupancy costs. Selling the building was the most cost conscious decision and in early 2016 the building was sold for \$4M. Newmark sold the property at a 29% premium above market value.

Although Newmark performed a search for relocation options as part of its analysis, SLA ultimately decided to eliminate its occupancy costs altogether by engaging an association management company to run its day-to-day operations. .



331-335 S. Patrick Street