

Success Story

2400 Shamrock Ave.



International Paper

The Client

International Paper has significant global businesses in paper and paper distribution, packaging and forest products, including building materials. The company has operations in nearly 40 countries, employs approximately 83,000 people worldwide and exports its products to more than 120 nations. Sales of almost \$25 billion annually are derived from businesses located primarily in the United States, Europe, Latin America, Asia/Pacific and Canada. As a global leader in the paper, packaging, and wood products industry, International Paper supplies a wide range of goods that people rely on day in and day out. As its name implies, International Paper is truly a global company.

The Challenge

International Paper purchased an existing business and as part of the purchase agreement assumed a 141,004 square foot lease obligation of the purchased entity. The landlord was not informed of the market rental rates and also understood that the costs of moving this operation into another facility were very high. International Paper had no bargaining position and was locked into a lease rate that was well above market in a building that was not only overpriced but also operationally inefficient.

The Solution

NAI Robert Lynn, with an eye on the bottom line, toured International Paper through every facility within a locational radius that would not be detrimental to the workforce. With the high rental number in the existing facility, a thorough financial analysis showed that the moving costs could be overcome as part of a long-term solution. Focusing on the best option in the market, a much newer more efficient facility, International Paper shifted their focus. In doing that the landlord of the current facility understood that the reality was that International Paper would move. By the creation of real competition, the landlord made a last minute offer that was impossible to refuse. International Paper was able to reduce the rental payments and save over \$300,000 over the course of the term, while also greatly improving their flexibility and business terms of the lease.

Transaction Summary

- **Address**
Fort Worth, TX
- **Size**
141,004 SF
- **Submarket**
Fort Worth
- **Transaction Type**
Lease Renewal
- **Industry**
Manufacturing
- **Property Owner**
Individual Owner

2416 Cullen St.

