



CASE STUDY:	Lease and Future Expansion
TENANT:	Return Path
TENANT REP:	Rare Space Inc.



From time to time you get a postcard in the mail informing you that a business that you know – perhaps your dentist, attorney or accountant – is making an office move. Do you ever think about what motivated that move? In the case of Return Path, a firm that helps their clients to navigate the world of email reputation and spam filtering, the move was decided by a coin toss.

The story begins with Brad Feld, the savvy venture capitalist who partnered up with Return Path to fund their expansion and growth. Since Feld was simultaneously guiding another Colorado tech firm, StillSecure, he decided to efficiently locate them both in the same building, Superior Plaza off McCaslin Blvd and Hwy 36.

As time went on, the best case scenario occurred: both companies needed to expand in order to accommodate their growth. It made sense that one would stay, one would go. In a show of fairness, Feld predicated the move decision on a coin toss. Return Path “lost” the toss...they would have to move.

Return Path enlisted the Service of Rare Space to find their new corporate headquarters. They wanted to remain in the same Hwy 36 corridor region, so we focused our search and came up with several options. In the end, the new Arista development in Broomfield became the winner. Rare Space secured for Return Path:

	Landlord's initial offer	Rare Space negotiated terms
Square Feet	33,492	33,492
Rent Abatement	\$95,000	\$332,000
Tenant Improvement Allowance	\$35 s/f	\$35/sf
Moving Allowance	\$5	\$5
Project Manager Allowance	0	\$2 s/f (\$67,000)
Real Estate Fee	n/a	paid by landlord
TOTAL SAVINGS		\$399,000

"Working with Rare Space has been insightful and rewarding. Their professionalism and knowledge of the local market was a tremendous asset. We were looking for a specific type of space, and they found it. They got us a favorable deal and signage along highway 36. I appreciate their courtesy and attentiveness."

-Matt Blumberg, CEO of Return Path