



Azzur



Secured space with room for growth in a biotech bubble, at rent 75% below neighboring space.

SITUATION

Azzur, a nationwide network of companies providing services to pharmaceutical, biotechnology, medical device, diagnostics, biologics and clinical industry, is based in Hatboro, PA with locations throughout the U.S. Brett Kluewer in Stream Realty Partners' (Stream) Orange County office had developed a 10-year relationship with the principals, serving as a trusted advisor for Azzur and managing their office leasing needs in Irvine, CA.

Azzur was evaluating two markets in California for the expansion of their Azzur Cleanrooms on Demand service and selected San Diego for their facility. Brett introduced the team to Alex Martini in Stream's San Diego office, where Alex's market insight and knowledge of the biotech industry were a seamless match for continued service excellence for the client.

For this requirement, the client was seeking 9,000 to 12,000 square feet of space that portrayed the company's image, attracted their client base to their quality controlled atmosphere and was located close to clients and potential clients.

QUICK FACTS

- Tenant Representation
- Biotech
- 18,000 SF



Azzur

STRATEGY

The Stream team worked with Azzur to craft a real estate strategy around their business plan, moving through analyses for lease, buy and build options. Considering their overall growth plan, a lease with the opportunity for expansion was the most strategic solution for Azzur.

The firm was interested in touring space in the La Jolla area for its biotech cluster but found the higher rents did not provide the benefits they wanted. The Stream team flexed quickly while touring to move to north county, where they found more attractive rents and a biotech bubble that was important to the client. There, the team located newer product with a creative feel that provided room for expansion.

With a more attractive rent structure, Azzur could take additional space and double their size and capacity for the same cost, potentially driving more revenue. Azzur identified opportunities to scale their business in 60-90 days with several existing and potential clients in close proximity, and the team negotiated 18,000 square feet of space to lease, with the first right of refusal (FROR) on an adjacent 12,000 square feet.

RESULTS

By pivoting quickly, the Stream team located new construction space that exceeded the client's expectations, and negotiated a deal that was under-market rate, saving client 75% on the per square foot rate of the initial space offerings. The space provided Azzur room to grow their client service with expansion space in a growth market.

The keys to excellent service delivery for Azzur included the trust in their relationship with Stream as their service provider and Stream's nimble and flexible response to their evolving requirement.

Four months following the initial lease, Azzur capitalized on their FROR option and leased an additional 12,000 square feet of space to support their growing client base.

Alex Martini
VICE PRESIDENT, LEASING

alex.martini@streamrealty.com
T 619.308.6467