

Expertise, Customer Service, and Understanding Forges Valuable Long-term Tenant Representation Relationship

How Real Estate Advisors' Tim Nesvold led David Mitchell & Associates through the labyrinth of relocation followed by years of exponential growth and expansion

When executives at David Mitchell and Associates (later GE Capital Consulting) realized that their current offices lacked the prestige and square footage to accommodate their growing business, they turned to Kande Larson, DM& A's Director of Administration, to chart the course to office space that met their unique needs.

With methodical purpose, Ms. Larson screened the top commercial real estate brokers in the Twin Cities. After a series of intense interviews, she chose Tim Nesvold of Real Estate Advisors. "Tim was clearly the best choice by far. During the initial interview, I found myself answering more questions than I was asking. I came away from that meeting convinced that he genuinely cared about our needs first," said Ms. Larson. "Each of the brokers I spoke with was professional. Tim, however, was not only polished, but also down to earth in a way that made communication very easy. Those qualities assured us that we made the right decision when we hired Tim."

Tim quickly ascertained that David Mitchell was on a fast track for growth. At the time, the company occupied a modest, residential-style office of 2,000 square feet. Their needs at the time called for nearly 8,000 square feet. Additionally, the amenities and image of the property were insufficient to attract the high-quality employees the company needed to sustain its business plan. Moreover, the company needed a central location that favored neither Minneapolis nor St. Paul, but was ideally suited for employees residing anywhere in the Twin Cities metropolitan area.

Mr. Nesvold gladly took charge of the project, immediately conducting an exhaustive search for all properties that met his client's current needs and would accommodate the firm's potential for explosive growth. He identified six properties that met these needs, yet one property quickly emerged as the obvious choice. Unfortunately, the building's owner had recently suffered a financial setback, leaving the property in receivership. Knowing this might lead to challenging negotiations, Tim developed a plan to secure the space while maximizing economic value for his client.

Through his extensive network, Tim determined actual lease rates the property had recently commanded; those not readily disclosed publicly. Therefore, before commencing negotiations, Tim already had strong knowledge of the most recent transactions. With this knowledge, Tim approached the property's leasing representatives to pursue a favorable lease for his client.

With the building in receivership, Tim first secured a legal agreement protecting his client from the eventuality that the building's new owners might attempt to force David Mitchell & Associates from the space. With this Non-disturbance Agreement in hand, Tim next tackled the complex task of negotiating the construction of the space's interior to meet his client's needs. Tim advised his client to self-finance these improvements and negotiated free rent to offset the investment. While not a common practice, this ensured that his client would not pay an exorbitant interest rate for these improvements as a condition of the lease.

Finally, Tim negotiated a below-market rate to which all parties agreed. In the end, David Mitchell and Associates moved into the perfect new location – first-class offices with room for growth and centrally located for their employees' convenience. For Kande Larson, working with Real Estate Advisors proved extremely valuable. "Tim Nesvold earned my trust immediately. I had full confidence in him during the entire process, and entrusted every aspect of this process to him. His expertise saved us time and money, and freed me to focus on the logistics and other details of moving the company."

With the firm comfortably settled in their stately new offices, Tim found his job was just beginning. Over the next five years, David Mitchell and Associates' employee headcount increased nearly 600%. After six expansions during that time, and a spirited lease renegotiation, the firm's office grew from 8,000 square feet to over 30,000 square feet. However, with Tim Nesvold's expertise, the firm never faced relocation. Eventually, the company's success attracted the attention of GE Capital Consulting who, through an acquisition, made David Mitchell and Associates an integral part of their organization. For Tim Nesvold, enabling this growth was particularly gratifying.

"Guiding Kande and her team through a realistic plan for such explosive growth was as equally rewarding as challenging. Negotiating the right amount of space initially while maintaining their first right to claim adjoining space as they grew was a challenge, but one that was well worth the effort."

For Ms. Larson, working with Tim Nesvold and Real Estate Advisors alleviated many of the pains associated with such growth. "Tim had foresight, understanding, and expertise to find space that would continue to be perfect for us even as we grew. He took the time to truly understand the needs of our firm and the preferences of our employees, and provided the highest-level of customer service that led to a valuable long-term relationship between our firms."