

## Savvy business owners taking advantage of down office market to create snazzy spaces - Columbus - Business First

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*Mark Kitrick moved his downtown law firm last year into a bigger space on Hutchinson Avenue.*

Robert Celaschi | Business First

The sour economy has created plenty of chances for businesses to capitalize on an office market with vacancies in double-digit percentages.

With an overabundance of office space sitting unused, opportunistic companies chose to expand, remodel and create work environments that prior to the recession they couldn't afford.

While prices per square foot for full service rents didn't fluctuate wildly over the past several years, it "definitely is a tenant's market right now," said [Matt Gregory](#), an agent with [NAI Ohio Equities LLC](#) in Columbus.

"Tenants are able to negotiate much more favorable terms than they were during the boom. Sometimes that means more square footage for the same rate. Sometimes it means a shorter or longer term, whichever is favorable, and maybe (the lessor) covering moving expenses."

Central Ohio's office market total vacancy rate for Class A and B space stood at 16.2 percent as of the second quarter, an improvement from 17.2 percent a year earlier, says data from researcher Xceligent Inc.

While the market probably has bottomed out and opportunities aren't as plentiful as they once were, landlords can't relax just yet, said [Randy Stephens](#), senior vice president at the Columbus office of [Cassidy Turley](#).

"You have to be on your A game for every deal," he said.

### Building out

Columbus law firm Kitrick Lewis & Harris Co. LPA was doing just fine for years in 3,500 square feet downtown. The office sported an avant-garde industrial look, with an open floor plan and high ceilings. But founding partner [Mark Kitrick](#) wanted to upgrade. He moved to 5,000 square feet on Hutchinson Avenue near Worthington last year.

"Downtown was not as flexible with real estate," Kitrick said. "But because of the economy, the suburbs are really trying to get more tenants."

The law firm is saving about 40 percent per square foot, and got a year's free rent on a 10-year lease. The office also came with 30 free parking spaces.

“Also, the economy allowed us to get an incredible contribution from the builder for the build-out. They knew we would be here for a while,” Kitrick said.

That work makes the office look like something [Piet Mondrian](#) might have painted. Java Kitrick, Mark’s wife, used rectangles in primary colors to create dramatic walls that contrast with the granite floor. The office features 11-foot-high glass walls to let in a lot of light.

When the firm signed its lease, it got the first right of refusal on 1,500 square feet next door. Kitrick Lewis already grabbed it, creating space for two more attorneys.

### **Boosting visibility**

The Columbus affiliate of [Susan G. Komen for the Cure](#) pulled up stakes from Grandview Avenue in 2010 for new quarters in Westerville. Its high-profile fundraising race may be held downtown, but its service area covers 30 counties in central and southeastern Ohio. So the staff was looking everywhere for a good deal, said Executive Director [Katie Carter](#).

“We wanted to finally be able to have warehouse space as well as business space. We never had that before we moved here,” she said.

Komen relied on sponsors to house thousands of T-shirts and promotional materials. While the donated space was appreciated, it made quick access difficult. Komen not only was able to triple its space, it pays less per square foot and got its name on the building.

“The goal also was to be visible. Our sign is visible from the freeway,” Carter said.

Komen now gets walk-in traffic from passers-by who have spied the sign.

One aspect of the new space is the result of donations, not an attractive real estate market. The configuration of the interior didn’t line up with how Komen wanted to use it. Corporate supporters donated some remodeling work, including paint, plumbing, carpet and cabinets.

“As a nonprofit organization, your goal is to maintain a very low expense ratio,” Carter said. “We were able to do that with the great market and the availability of the space, and on top of that the donations.”

### **Movin’ on up**

Health Care DataWorks Inc. didn’t need fancy space, but it needed a lot of it. The tenant’s market allowed it to get a bit of both.

The 3-year-old company’s first office was 1,900 square feet of subleased space. Within a couple of years, its 15 employees felt cramped. In early 2011, the company, which helps hospitals manage their data, leapt into 7,100 square feet on Watermark Drive. It went from two rooms with one table that everyone had to share, to Class A office space overlooking water and the downtown skyline.

“When we first started looking, we thought we couldn’t afford anything like that,” said Administrative Manager [Barb Yothers](#). “We started looking at smaller locations and realized they wouldn’t be able to grow with us. We’d be essentially landlocked. We were very fortunate to find space that would allow us to

grow.”

At first, Health Care DataWorks furnished only about three-fourths of the space. It had a deal that didn’t require it to pay for the rest until it was needed. That didn’t take long. Once the workers had the room, they wanted their workstations spread out more.

By July 2011, it had filled all 7,100 square feet. Six months later, it leased and furnished an additional 1,700 square feet. The staff now numbers 35.

Health Care DataWorks didn’t just grab the first big Class-A space it found.

“There was a lot available, but the size and shape and location were not all that appealing,” Yothers said.

“We did a spreadsheet with all the square footage, how close is it to the airport and hotels if we have clients come in. We’re located right at I-70 and I-670. It’s about 15 minutes to the airport. Downtown is close. It makes it easy for people to get into work.”

*Robert Celaschi is a freelance writer*

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