

## HCREA Helps Successful Westport Pediatric Practice Renew Long-Term Lease with Better Terms while Maintaining Good Relationship with Local Landlord

### THE CHALLENGE

*“HCREA’s greatest strength is the ability to provide the total picture. They are so knowledgeable about the community and the medical real estate market. They not only showed us all the available options, but they were able to explain the pros and cons of each option.”*

Susan Amster, PA-C, MBA-HAS  
Practice Administrator  
Willows Pediatric Group

For over 40 years, Willows Pediatric Group has served the Fairfield County, CT community by providing comprehensive medical care for infants, children and adolescents. For approximately half of that time, the practice has been located at 1563 Post Road East in Westport. With six doctors and four physician assistants, Willows Pediatric Group offers a range of services and provides pediatric care seven days a week. Willows Pediatric Group was the sole tenant of the medical building at 1563 Post Road East. The owner converted the 10,000 square foot space for Willows to their specifications in 1999. In 2015, Willows’ lease was expiring. With a flourishing practice, the pediatric group wanted to stay in the same area to retain their loyal patients. But they also wanted to reduce their costs if possible.

“Everything worked about our current location,” says Susan Amster, PA-C, MBA-HSA, Practice Administrator, Willows Pediatric Group. “We built this space to our specifications and our patients identify with our location. But we wondered whether it might be time to consider buying rather than renting. We also wanted to know if there was a better location available for lease. And, if we continued to lease our current space, how would we ensure we were getting the best deal possible?” Without the real estate expertise or the time to thoroughly explore and understand all their options, Willows sought outside help. “We needed a commercial real estate agency who knew our market and who could best position us for a renegotiation or a move,” Amster says. Willows had recently heard HCREA give a presentation to the Fairfield County Medical Association and felt that with the firm’s combined expertise in architecture, real estate law, healthcare space and the Fairfield County market, they would be the right partners to guide Willows through this process.

### THE SOLUTION

First, HCREA identified alternative locations in a very limited market. They used this market analysis to show the doctors what the market rate was for their existing space. HCREA also reviewed Willows’ existing lease and explained certain factors that would make a simple renewal under the existing lease language unfavorable to Willows.



## HCREA Helps Successful Westport Pediatric Practice Renew Long-Term Lease with Better Terms while Maintaining Good Relationship with Local Landlord

*“HCREA knows how to negotiate to get us the best deal. We looked at other properties for comparison but they really helped us stay and negotiate favorable terms at the location we had enjoyed for years.”*

Susan Amster, PA-C, MBA-HAS  
Practice Administrator  
Willows Pediatric Group

To determine if buying might be a better option, HCREA made an extensive assessment of purchasing the vacant lot across the street from Willows’ current location and constructing a new building there. They evaluated the expense of buying, building and paying a mortgage compared with the cost of leasing new space or renegotiating and renewing the current location. “HCREA’s greatest strength is the ability to provide the total picture,” Amster says. “They are so knowledgeable about the community and the medical real estate market. They not only showed us all the available options, but they were able to explain the pros and cons of each option.”

After extensive analysis and discussion, it became clear that Willows would prefer to stay in their current space but with the reassurance that they were getting the best lease renewal terms possible. “There’s a lot more to renewing a lease than how much will it cost us per month. How do you formulate a contract? We needed someone who could explain the total picture to us and who would be prepared to negotiate on our behalf with our landlord,” Amster says.

Willows had always had a good relationship with their landlord, who was a local developer and investor in the area. The practice was concerned about how they could protect both their interests and their relationship. HCREA led a series of negotiations with the landlord. “HCREA reviewed our old lease and gave us suggestions about how the new lease should be reworded for 2015 terms,” says Amster.

### THE RESULTS

Amster admits it was a challenge keeping the entire team updated through this complicated process and coming to a clear majority decision,” she says. With HCREA’s help, Willows Pediatric Group stayed at the Westport location that had served them so well. They renegotiated their existing lease and secured benefits – financial and operational – not available under the existing lease and its renewal clause. And very importantly, Willows was able to continue their positive relationship with their long-time landlord.

“HCREA knows how to negotiate to get us the best deal,” Amster says. “We looked at other properties for comparison but they really helped us stay and negotiate favorable terms at the location we had enjoyed for years.”