

LOS ANGELES BUSINESS JOURNAL

March 15, 2010

REAL ESTATE

No Crumbling Cookie

Talk about an unusual deal.

In February, after long talks with the property owner, one local tenant baked into its lease a special provision for ... cookies.

The Girl Scouts of Greater Los Angeles signed a 10-year year lease worth about \$2 million at Warner Center Corporate Park in Woodland Hills. But no before it got landlord Equity Office Properties to allow the organization to house its “cookie cupboard” twice a year in the parking lot of the building at 20931 Burbank Blvd. The “cupboard” is actually a container up to 53 feet long that is used to store and distribute boxes of Girl Scout cookies.

“It’s definitely the first deal I’ve ever done where that was a sticking point,” said Dustin Ballard of Madison Properties, who represented EOP, a unit of New York-based private equity firm Blackstone Group LP.

Lisa St. John of Madison Partners, who represented the Girl Scouts, said the negotiation was challenging. “Every dollar they spend on rent is a dollar they can’t put into programs.”

In the end, Ballard said that once the landlord understood the Girl Scouts’ needs and determined that container would not disrupt parking, the deal went smoothly.

The 8,644-square-foot offices will house a service center that the Girl Scouts will use for training events and other activities. The center also will include a small shop where Girl Scouts can purchase paraphernalia. It will be one of seven such service centers in the county and replace one in Chatsworth.

The Girl Scouts will move in June 30, after the landlord completes a \$38-per-square-foot build-out for the organization, St. John said.

“We had been in space for about 27 years in Chatsworth. The space had significant drawbacks, (such as) inadequate parking,” said Sylvia Rosenberger, vice president of business and administration for the Girl Scouts.

Owen Fileti of Madison Partners also represented the tenant and Bob Pearson of Madison Partners also represented the landlord.