

Case Study



Challenge

Calendar Club (“CC”) was founded in 1993 on the idea of selling a distinctively seasonal product – calendars – during retail’s busiest season utilizing over 1,000 temporary stores located worldwide. CC is an affiliate of Barnes & Noble, the worlds largest book retailer.

Every August, CC must commence shipping temporary fixtures and calendars to over 1,000 stores to begin setting up for operations during the October to January holiday season.

CC was operating in an antiquated facility in South Austin with obsolete loading and inadequate office space. They realized that their logistic issues were far in excess of their ability to function in their current building.

Strategy

Due to significant time constraints for CC’s occupancy, Endeavor took a building under construction at the time of lease negotiations and planned to quickly convert it from a bulk warehouse building to a combination of procurement, warehouse, executive offices, a mock store, and sales and training facilities. The warehouse required a state of the art two-level floor system with conveyor tracks to pick and ship calendar orders efficiently.

Rather than pursue CC as a traditional Tenant, we presented a lease including a joint venture structure that would provide CC with an ownership component. Due to CC’s substantial leasehold improvement investment, and Residual Value, we determined that ownership represented a much greater return on their investment.

The lease encompassed a newly built 124,200 square foot warehouse building to be utilized as CC’s international headquarters for their executive, sales and U.S. procurement.

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Results

- CC was able to move into the new building on time and within budget with immediate solutions to their complex logistics of shipping and operating their temporary stores.*
- CC is currently in an ownership position in the building.*
- As a result of this transaction, Endeavor has been utilized as CC’s exclusive tenant representative broker and has leased in excess of 300,000 square feet on their behalf.*
- Since this transaction, CC and Endeavor are partners in approximately five investments encompassing real estate and calendar ventures.*