

PANACEA

New Head Office

The Situation

The company PANACEA has been planning to change Head-office premises due to company growth and because its primary building has proved to be small and obsolete for its operation. The Management has been analyzing the issue and considers the move to the new building should be carried out in a 12-month period (new offices fully set up and in operation).

The search comprises a centrally-located building, preferably not sharing it with other firms. The site should have at least 2,200 sq m. and it is a top priority to be within the core public transportation network. It also needs to have fibre optic and ADSL lines set up. Primary utility services should be in operation (electricity, water, telephone, etc.) and it is required to have one elevator. They are looking for a building with air-conditioning and central heating. Office equipment and workstations will be moved from former building.

It would be advisable to have access for disabled people. Relatively new buildings which require no refurbishing, painting and any other arrangements get a plus. Last but not least, it is highly recommended the building has parking space on its own premises or at least it is located within short distance of a larger parking lot. The budget for the purchase is of € 5.2 m.

Three options have been short-listed before decision is made.

Building A

It is located on a centric street, with buses connections and a metro station nearby (15 min walk). It is a 12-year-old construction with five floors available and a total area of 2,280 sq m plus a sixth floor (an attic) being used by a real estate agency. The building is fully equipped, though utilities should be signed up for. It has three elevators and a new air-conditioning and central heating system. It still has the office equipment of the previous occupant and high-speed fiber optic and ADSL lines are available. The site still keeps much of the layout of the former company which could be unassembled or else re-arranged. The general aspect is good, but you have some problems with walls and floors that should be re-arranged. It has a nice reception area, though access for disabled is not available. Even though it does not have own parking space, there is a medium-size parking lot quite near (150 meters away). The non-negotiable price set up by the owner is of € 5.1 m. Immediate availability after purchase.

Building B

It is located in a neighborhood quite close to downtown and with access to major public transportation network (5 minute walking). It is a relatively old construction (45 years old), though completely refurbished. It has four floors with a total area of 2,400 sq m.

The building is being occupied by a foreign company which plans to leave the building in no less than eight months. Utility services are in full operation (including air-conditioning). No central-heating, fiber-optic wiring and ADSL. It has 2 new elevators.

The interior of the building is in very good condition, though the outer aspect would require some restoration in order to convey a corporate image. It has access for the disabled plus a small own parking space. There is another parking lot 250 meters away from it. The real estate agency has valued the building in € 4.7 m, though the owner company may be willing to negotiate. In case of immediate purchase, the building will be available in six months post purchase (taking into account corporate moving delays).

Building C

It is located on a square near the city centre, with easy access by car, though 10 minutes away by bus or metro. A 21-year-old building, with 5 floors being occupied by a publishing company, and a total usable area of 2,260 sq m. The building is fully equipped, including air-conditioning and central heating. The publishing company is planning to leave the building within six months. It has only one elevator and has access for disabled people. Its interior is fairly good, though it needs some painting and aluminum frames changed as it is a bit deteriorated. The offices support large systems networks and it has fiber-optic and ADSL. The building has own parking space, which is quite large.

The publishing company has set an initial price of € 4.3 m, which considers negotiable. That price, however, does not include the parking area, which could be for sale separately at € 0.5 m. In case the parking lot is not acquired, there is another parking lot 180 meters away. In case the operation proceeds, the site would be available in 9 months.