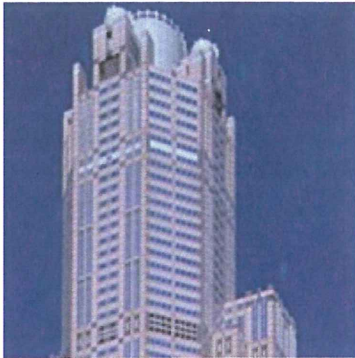


## Attorney Insurer Renews Three Floors Early

By [Robert Carr](#)



The owner of 311 S. Wacker was able to hold onto a tenant by renewing a lease early.

CHICAGO-The Attorneys' Liability Assurance Society recently was able to renew their lease four years early for 39,514 square feet at the 311 S.

**Wacker Dr. building.** Instead of waiting until 2016, the company did a 14-year extension until 2026 at today's rates instead of what could be a more landlord-favored market.

**Steinco Corporate Real Estate Advisors** represented the tenant in the deal at the 1.3-million-square-foot building, while **Mark Baby** with **JF McKinney** represented building ownership. **David Stein**, managing principal at Steinco, tells GlobeSt.com that early renewals are being offered all over Chicago by landlords eager to hold space occupied.

"With the 40,000 square feet and larger tenants, you're seeing landlords trying to woo them away to other buildings, even offering to pay their early termination fees," Stein says. This practice helped the American Medical

Association and SmithBucklin agree in December to move to large blocks of space at the former **IBM** building downtown, Stein says.

**Mark Karasick**, who reportedly paid about \$292 million for the 93% occupied building in 2006, had put the 65-story tower up for sale in spring 2011. However, Stein says the building has been pulled off the market. "They were able to retain about \$15 million in lease value with this renewal," he says. "On the other side, the tenant rent went down about 19%, they got a concession package equivalent to a new tenant moving into the building." Other tenants at the building include law firm Baker & Daniels LLP.

He says the tenants will continue to rule the market in 2012, but that will likely change after this year. Tenants in downtown Chicago should make long-term commitments this year, if they think their business is sustainable, Stein says.

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