Boeing
Various Locations

CASE STUDY

OBJECTIVE

The Boeing Company is the world's leading aerospace company. Best known as the largest commercial airline manufacturer in the world, Boeing also is the largest manufacturer of satellites and military aircraft. The company leads the global market in missile defense, human space flight, and launch services.

The global reach of the Chicago-based company includes customers in 145 countries, employees in more than 60 countries, and operations in 26 states. Worldwide, Boeing and its subsidiaries employ close to 171,000 people with major operations in the Puget Sound area of Washington State; Southern California; Wichita, Kansas; and St. Louis, Missouri. Revenues totaled $58 billion in 2001. Boeing ranks number 16 among the Fortune 500.

In the TCC/Boeing Realty Corporation partnership, the key objective for 2002 was to allow Boeing staff to focus on customer requirements and consulting, leaving the transaction activities up to TCC. Today, TCC manages 60 million sf (350 properties) of Boeing's 120 million sf portfolio.

Together, TCC and Boeing were better able to serve the Boeing customer, streamline processes, decrease transaction costs, reduce the company footprint, and create best-in-class processes and procedures to more effectively manage workflow.

STRATEGY

Highlights of the 350 location (60 million sf) include:

- Initiated various portfolio strategies to reduce long-term occupancy cost.
- Executed $56 million of lease transactions
- Implemented activities to create a total value of $13 million

VALUE CREATION

Services Provided:

- Strategic Services
- Transaction Services
- Development Services

Quick Facts

Client since: 2002

Services
- Strategic Service
- Transaction Services
- Development Services

Scope
- 60 Million Square Feet

Geography
- Various Locations

CASE STUDY

STRATEGIC SERVICES

Provide advisory services for real estate portfolio aimed at maximizing shareholder value: asset valuation, portfolio management, and financing alternatives.

Office, manufacturing, warehouse, research & development facilities encompassing 350 locations, 60 million sf

- Provided strategic and tactical advisory services to Boeing Realty Corporation for a 60 million sf manufacturing and office portfolio, primarily in Puget Sound and Wichita, Kansas
- Facilitated the footprint reduction of the company by 25 million sf by 2005
- Developed exit strategies for all Boeing assets
- Provided entitlement services and project management to facilitate property exit strategies

TRANSACTION SERVICES

Manage acquisition and disposition programs: subleasing, development, and build-to-suit activities.

350 locations, 60 million sf

- Implemented lease acquisition and disposition strategies for 6 million sf
- Instilled asset acquisition and disposition strategies for 60 million sf
- Completed 58 transactions totaling over 7 million sf
- Currently managing 57 transactions totaling 30 million sf

DEVELOPMENT SERVICES

Provide development and/or construction management services for portions of new building requirements, including strategic planning, entitlement work, consulting, and total project delivery.

167 acres

- Provided entitlement and planning services to facilitate exit of surplus property
- Implemented build-to- suit and portfolio sale programs to increase exit speed and residual value
- Completed the rezone of a 90-acre parcel resulting in an increased value of $5 million