

BUILDINGS MATTER

The lease-vs.-own decision

TASC CEO calls buildings near the airport 'absolutely critical to our success'



Derrick Van Well

Total Administrative Services Corp. (TASC) has been providing third-party employee benefits administration since the 1970s. Founded by Chairman Don Rashke, it has always focused on farms and small businesses; today it has clients in all 50 states and its buildings are one clear reason for its success.

In its Madison headquarters, TASC occupies two buildings near the **Dane County Regional Airport**. The first is

- Control use of space of other occupants
- Provide high quality property maintenance
- Providing attractive amenities for staff
- Being able to carry and control land for long-term expansion

Many businesses find ownership has the advantage of being able to control the design details. An example for TASC was being able to color-coordinate the site signage with the interior décor, reinforcing their logo and brand message. A display case and corporate theme are prominently displayed in the main lobby; a right tenant would have had to negotiate for. And ownership also makes a statement of community commitment; TASC purchased three of Madison's famous colored cows, which today graze within the buildings. Success is in the details.

21,000 square feet and built in 1996, and the second is 23,000 square feet and opened in 2006. Designed by **Flad & Associates** and built by **Vogel Brothers**, the buildings have been, according to CEO Dan Rashke, "absolutely critical to our steady growth over the past 10 years."

TASC carefully considered all the factors in the decision to lease versus own. The decision to own weighted these factors:

- Making a statement of permanence and commitment
- Controlling the development of IT and security infrastructure
- Develop real assets for a service business dealing with intangibles

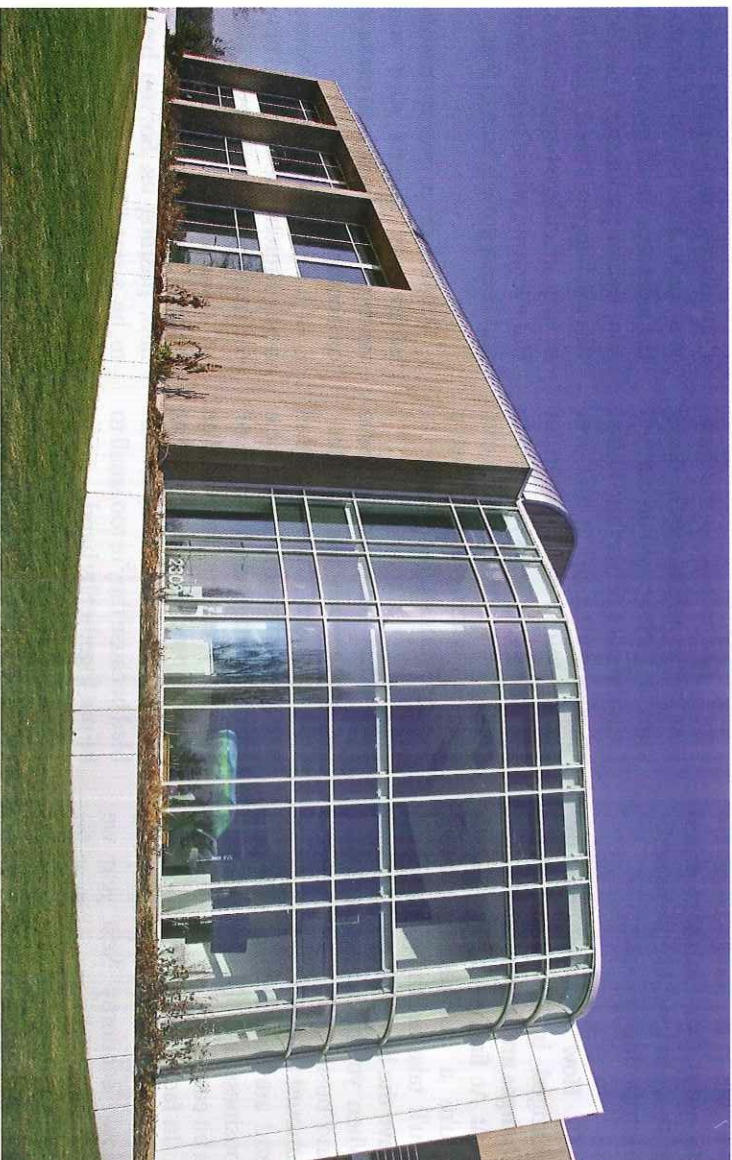
As TASC grows, their largest clients expect more and more of their service providers. The client tour, therefore, becomes more important and having an impressive (but not ostentatious) facility is a powerful selling tool.

Ownership is sometimes thought to be less flexible than leasing, but TASC has disproved that myth by taking decisive steps to ensure maximum financial and spatial flexibility. The menu of facility flexibility initiatives included:

- Creating spaces that are easily subdivided
- Designing the site for expansion in several directions
- Using space standards that let TASC take advantage of telecommuting

One effective expansion opportunity is to build a "cafetorium" connector between the two buildings, which will add space without being disruptive. TASC has benefited from its far-sighted flexibility investments. It has ebbed and flowed into spaces, filling empty spaces with rent-paying tenants, with leases timed to fit expansion plans.

TASC has also foreseen how space use can be reduced by careful investments in technology. They now have remote offices in six other states (plus a call center in Green Bay), the result of a business acquisition plan. Telecommuting technology and flexibility in space use have let them retain and quickly assimilate this new staff. TASC's steady and profitable growth is proof of the role thoughtful building decisions can play: they've grown seven-fold in 10 years. The buildings TASC owns let them grow steadily for decades to come. ■



JOHN MANIACI

Total Administrative Services Corp. occupies two buildings near the Dane County Regional Airport.

REAL ESTATE TRANSACTIONS

Helgesen Family Limited Partnership

(John Henderson and Vrtau Barcas - NAI MLG Commercial) leased to

Cummins Inc., 101 W. Venture Drive, Janesville, 187,500 square feet.

Zoroglian (John Henderson and Vrtau Barcas - NAI MLG Commercial) leased to **Fleet 1 Logistics**, 1501 E. Wisconsin St., Delavan, 25,000 square feet.

Zoroglian (John Henderson and Vrtau Barcas - NAI MLG Commercial) leased to **Arrow Products** (John Henderson and Vrtau Barcas - NAI MLG Commercial), 1501 E. Wisconsin St., Delavan, 18,000 square feet.

Racine Durand leased to **ISA Tool & Engineering** (Tuck Maxon and Barry Chavin - NAI MLG Commercial), 5626 21st St., Racine, 46,694 square feet.

Weiland Family Limited Partnership

(Todd Waller - Lee & Associates) leased to **Impact Sports** (Todd Waller - Lee & Associates), 3821 Anderson Road, Madison, 16,000 square feet.

Fischl Construction (Randy Whitson and Jared Flesch - Lee & Associates) leased to **Heritage Credit Union** (Randy Whitson and Jared Flesch - Lee & Associates), 1200 Prairie St., Prairie du Sac, 2,400 square feet.

Triangle Street Investments (Blake George - Lee & Associates) leased to **Full Spectrum Systems** (Blake George - Lee & Associates), 4916 Triangle St., McFarland, 2,282 square feet.

Bernhard Inelchen (John Brigham - Lee & Associates) leased to **Big Kahuna Tropical Fish**, 1611 Horizon Dr, Verona, 1,372 square feet.

Pranke Holding (Todd Waller - Lee & Associates) leased to **K.C. Liu - Sushi Associates**

Hibachi (Todd Waller - Lee & Associates), 5401 Caddis Bend, Fitchburg, 1,600 square feet.

Livesey Company (Todd Waller and Steve Doran - Lee & Associates) leased to **SportClips** (Todd Waller and Steve Doran - Lee & Associates), 2185 Dering Way, Madison, 1,400 square feet.

AH One & Fairhaven Holdings (Randy Whitson and Steve Doran - Lee & Associates) leased to **Infinite Relations** (Randy Whitson & Steve Doran - Lee & Associates), 951 Kimball Lane, Verona, 2,112 square feet.

Klinke Enterprises (Blake George - Lee & Associates) leased to **Blue Mountain Coffee**, 5439 University Ave., Middleton, 800 square feet.

Tim Neitzel (Blake George - Lee & Associates, and outside broker) leased

to **Felco - FFD National** (Blake George - Lee & Associates, and outside broker), 3025 S. Stoughton Road, Madison, 5,000 square feet.

Tim Neitzel (Blake George - Lee & Associates) leased to **L&W Supply Corp.**, 4786 McFarland Court, McFarland, 2,400 square feet.

Alan Wallace (Blake George - Lee & Associates) leased to **Global Gene Techs**, 717 Post Road, Madison, 3,109 square feet.

Alan Wallace (Blake George - Lee & Associates) leased to **KSW Construction**, 717 Post Road, Madison, 2,200 square feet.

ARMMS Investment Co. (Todd Waller - Lee & Associates) leased to **GET IT Now** (Todd Waller - Lee & Associates), 4522 E. Washington Ave., Madison, 8,181 square feet.

Broadway Station c/o Wingra Construction (Randy Whitson and John Walsh - Lee & Associates) leased to **Milestone Senior Living** (Randy Whitson and John Walsh - Lee & Associates), 1532 W. Broadway Suite 200, Madison, 4,400 square feet.

Pike Technologies (Blake George - Lee & Associates) leased to **ABC Supply Company Inc.** (Blake George - Lee & Associates), 2901 Commerce Park Drive, Fitchburg, 11,506 square feet.

Advantage Ventures (Blake George - Lee & Associates and outside broker) leased to **Deluca Trust**, 2881 Larue Fields Lane, Sun Prairie, \$500,000.

Sveum Enterprises (John Walsh - Lee & Associates) leased to **UW Medical Foundation** (John Walsh - Lee & Associates), 917, 1000 & 1009 Nygaard St., Stoughton, \$673,047. ■