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Jones Lang LaSalle purchases Staubach Holdings for \$613 million

June 26, 2008 - Front Section

Jones Lang LaSalle Inc. has officially acquired Dallas-based Staubach in a \$613 million deal.

JLL is buying Staubach with \$123 million in cash and \$100 million in stock paid at the transaction close, and the balance paid out in cash over five years, for all of the outstanding capital stock of Staubach Holdings Inc. The deal also calls for potential earn-out payments of up to \$114 million that are subject to performance metrics over a four-and-a-half year period after the closing.

The new firm will continue under the Jones Lang LaSalle name. The transaction does not include Staubach Retail Services or Cypress Equities, Staubach's investment-development business, which will both continue operations under license agreements.

Peter Roberts, CEO of the Americas for JLL, said that he doesn't see where people should lose their jobs. "This is not a merger where the main idea is bringing two companies together for cost-cutting."

Roger Staubach, executive chairman, said this merger is about bringing his commercial real estate legacy company to the next level. "In today's global economy when so many of our clients want an international platform, this merger gives us the opportunity to provide those services seamlessly, as one team working together."

The deal has been the most expected marriage in commercial real estate, after the merger of NNN Realty Advisors and Grubb & Ellis last year. However, both sides have done well at hiding the engagement. It's said that Roger Staubach, the ex-NFL star who founded the company, has given off hints, such as resigning as president and CEO to become executive chairman of the new 300-private-shareholder Staubach ownership operation, and giving up stock to franchisees so they'd convert operations into branch offices. Also, JLL hasn't kept quiet, buying up Kempber's Holding GmbH, a Germany-based retail company, and other overseas firms, for more than \$134 million.

Bruce Hopple with Chicago's UGL Equis, who had previously worked at Staubach, tells GlobeSt.com that the deal is an interesting meld of cultures. "I guess it's just an indication of all the consolidation in the business. They're both very high-quality companies. I'm guessing it's more of a question of who stays and who goes?"

Staubach's firm now totals more than 1,500 professionals in the US, Canada and Mexico. With 2007 global revenue of \$2.7 billion, JLL has approximately 170 offices worldwide and operates in more than 700 cities in 60 countries.

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