



assignment | challenge

Connecticut General Life Insurance Company - CIGNA

Connecticut General Life Insurance Company (“CGLIC or CIGNA”) engaged IRES to assist with the disposition of their industrial facility located at 18582 Teller Avenue in Irvine, CA (“Property”). The mixed-use redevelopment opportunity had specific challenges as follows:

- The Property had environmental concerns associated with activities of the previous tenant, Xerox Corporation, which had undergone substantial environmental remediation and required further ongoing monitoring
- CIGNA required a buyer who would be willing to spend significant upfront resources to study the environmental condition prior to their submission of an offer
- The then tenant, Linksys Group, had a short remaining lease term set to expire within six months of the estimated closing date
- The Property had limited entitlement rights, which presented a higher development risk to prospective investors
- The adverse political climate within the City of Irvine and adjacent industrial property owner groups opposed residential redevelopment within the local sub-market

outcome | results

IRES developed a marketing strategy focused on eliminating uncertainties associated with the environmental condition and entitlement risk which the project presented. Based upon the large amount of information gathered during the pre-marketing phase to address the environmental and entitlement issues it was critical that an effective dissemination of such information take place. IRES was able to develop and host an online web-conference conducted by CIGNA’s environmental consultant to educate all interested parties. This method not only saved CIGNA time and resources, but also creatively marketed the Property to an audience of buyers who were able to understand the environmental concerns as well as the significant redevelopment potential.

Through the process, IRES provided the following benefits to CIGNA:

- An aggressive national marketing campaign yielding more than sixteen qualified offers from an interested investor population of close to one hundred parties
- Structured transaction process, which eliminated the risk of being re-traded while decreasing the due diligence period required for prospective investors
- Certainty of close, accelerating the set closing timeframe by 21 days
- Proceeds of over \$21.4 million to CIGNA representing an increase of 42% over pre-marketing estimates

QUICK FACTS

INVESTMENT SALES

Mixed-Used Redevelopment

6.25 acres
120,000 square feet existing bldg
\$21,350,000
Irvine, CA

IRES CONTACT

Bret Hardy
213.861.3321
bret.hardy@colliers.com

CLIENT REFERENCE

Michele Kadis
Vice President
Cigna Realty Investors
860.226.8806
michele.kadis@cigna.com

