

assignment | challenge

Flextronics International is a worldwide industry-leader in the creation and implementation of automated systems testing and solutions. AIC Ventures (owner) engaged IRES to assist with the disposition of its 145,120 square foot property, leased for 12+ remaining years to Flextronics. Specific challenges for this assignment were as follows:

- AIC Ventures required a premium to market for disposition proceeds, in order to achieve its stated objectives for investor returns
- The property had future development rights and an under-utilized office component, thus requiring the appropriate structuring of debt for a potential buyer
- The Flextronics lease entity was a newly formed subsidiary with a limited operational and financial history and the facility is located in a Houston submarket with few comparable assets. These facts required IRES to educate investors as to the relative value of the property, its existing use and the underlying value of Flextronics as a tenant

outcome | results

IRES customized a targeted disposition process for AIC Ventures. Colliers focused its efforts on identifying multiple 1031 exchange investors with an appetite for single-tenant net lease opportunities. The executed transaction generated \$15.1 million in proceeds to AIC, which represented a 6.9% CAP rate. The following quote is directly from AIC Ventures:

“As an active buyer of commercial real estate, we have the opportunity to work with many brokers from around the country. However when it came time to sell a critical asset in our portfolio we turned to Bret Hardy and his team from Colliers. Bret and his team exceeded my expectations throughout the entire process. They presented the property beautifully and thoughtfully and handled the entire process with a level of unparalleled professionalism. Their communication with me was superb and their execution of the process was truly exceptional. The end result was a closed transaction at a price that I did not believe was achievable in the marketplace. I thank the team for their efforts and I am strongly committed to using them again on future assignments.”

Peter S. Carlsen President, AIC Ventures



QUICK FACTS

INVESTMENT SALES
Single Tenant Net Lease

145,120 square feet
 \$15,100,000
 Houston, TX

IRES CONTACT

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CLIENT REFERENCE

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