

Infinity Insurance Company Warehouse



Location:
Bessemer, AL

Submarket:
Bessemer Industrial

Client:
Infinity Insurance Company

Developer:
Corporate Realty Development

Architect:
Designform, Inc.

Date Closed:
April 2005

Transaction Type:
Build to Suit

Square Footage:
85,000 SF

Value:
\$3.5M

Incentives:
Tax Rebate Built into Base
Option to Purchase
Dollars from State of Alabama to Build
Parking Asset

Opportunity:

With growing demands from their automobile insurance business, Infinity Insurance Company needed a facility for dry document storage. Infinity contracted Corporate Realty Development to begin development of this facility in October 2004 to be completed May 2005. The 85,000 SF facility includes 51,000 SF of warehouse space, 27,500 SF of temperature controlled printing space and 6,500 SF of office space. The loading area is equipped with six shipping and receiving docks.

CRD worked closely with the architect and contractor to overcome 20 days of rain delays to keep the project on schedule.

Result:

Corporate Realty surveyed the market and determined the going market rate for dry document storage in the I-459 corridor was \$6.35 per SF Triple Net. At the direction of Infinity, Corporate Realty assembled a team to consider a build-to-suit alternative. It was quickly determined that a better quality building in a single tenant position could be developed for Infinity. Additionally, a portion of the space could be conditioned and utilized as a print shop office, freeing up space in other buildings as a lower occupancy cost option.

An investor group was identified to finance the construction and a lease was negotiated on behalf of Infinity at \$4.12 per SF Triple Net with an option to purchase.