

The Viridian Liability Assumption Program

In today's complex regulatory climate, with ever increasing pressure for transparency, companies are required to provide an accurate accounting of environmental liabilities on their balance sheets that could detrimentally impact shareholder value. Viridian provides a solution for companies to quantify and transfer these liabilities and provide cost certainty on otherwise uncertain environmental legacies.

Viridian's Liability Assumption Program provides its clients complete and final environmental liability transfer. As a brownfield redeveloper, our reuse plan becomes part of the environmental solution for the site ultimately reducing remedial costs. By acquiring both contractual and statutory liability, Viridian's unique environmental liability assumption program provides its clients:

- Direct assumption of regulatory obligations from responsible parties;
- Total and perpetual transfer of environmental liability and site cleanup obligations;
- Complete corporate indemnification backed by financial assurance instruments;
- Comprehensive insurance coverage from highly-rated carriers for known and unknown contamination;
- Protected interest earning escrow accounts established for cleanup funds;
- No risk of future cleanup costs;
- No risk of future 3rd party tort claims;
- Reserve elimination; and
- Balance sheet cleansing.

The illustration below shows how the liability transfer program works.



The value of the real estate is discounted by the cleanup costs. If the particular real estate asset(s) has negative value or is "upside down", the seller makes a single one-time payment equal to the projected most likely remedial cost. Viridian's Liability Transfer Program gives you a firm, fixed cost for highly variable liabilities. You will have no risk of incurring future payments and you are assured that the work will be completed properly and on time. Viridian takes title to the impaired property and assumes all re-entitlement and repositioning risk associated with a pre-determined end use. The transaction is insured with pollution coverage which addresses any unforeseen or changing conditions that could require additional cleanup costs (e.g., new, more restrictive regulations or newly discovered contamination).

Viridian is a brownfield redeveloper with a proven track record in customizing each transaction to economically and efficiently remove unwanted and over stated environmental liabilities associated with surplus properties from your company's balance sheet.

CREATIVE RENOVATION OF DISTRESSED REAL ESTATE