



The corner storefront retail building of 3,530 square feet with 36 feet of frontage including a rentable basement and on-site parking was leased to two residential tenants on the upper floor, a restaurant on the main floor and to a commercial tenant in the separate rear-accessed basement. Only one storefront retail unit remained to be leased.

Background

The estate of a deceased had been managed for 20 years by the same trustee and the named heir had yet to be found. The Client was appointed as the Estate Trustee after the original Estate Trustee, a sole practitioner lawyer, retired. The Estate Trustee had obtained Judicial Court permission to sell the asset and to deposit the net proceeds in its corporate Estate account while searching for the beneficiary.

What We Have Learned

- The sale process required extensive pre-due-diligence including third party professional assessments of building size complete with floor plans, environmental assessment, and building systems assessment as well as third party real property valuation.
- Petrus Commercial Realty Corp. confirmed Court authority and full FINTRAC requirements.
- The sale process and property value were negatively affected by financially punitive head lease conditions and by a contentious right of first refusal to purchase the property.
- The Trustee Client required pro-active documented defence in the event of potential internal audit, external audit and/or stakeholder(s) challenges post-closing of the sale.
- Petrus Commercial Realty Corp. documented diligently the sale process to provide the required documented Trustee Client defence. The scope of work included: i) a prior documented Strategic Assessment providing strategic guidance for the assignment, ii) a prior two-phased property valuation including thorough analysis of market data and review and staff interview of property manager historical records, and finally iii) a post-due-diligence report complete with a Journal of Critical Events.

Reference

“Pierre guided us and extensively documented every step of the sale transaction. He provided extremely valuable insight and direction on due-diligence requirements and ensured the sale completed in a highly efficient and timely manner.”

David Kanhai | Trust Officer
BMO Private Wealth | BMO Trust Company