



Globe and Mail  
national daily newspaper  
Toronto, ON  
October 18, 2011



**THE GLOBE AND MAIL** 

Search: News | [Quote](#) | Web | Businesses | People | Jobs

[Login](#) | [Register](#) | [Subscribe](#)  
 | [Select City](#) | [Help](#)


[Home](#) | [News](#) | [Commentary](#) | [Business](#) | [Investing](#) | [Sports](#) | [Life](#) | [Arts](#) | [Technology](#) | [Drive](#) | [Site map](#)

[My Watchlist](#) | [Markets](#) | [Funds & ETFs](#) | [Investment Ideas](#) | [Personal Finance](#) | [Investor Education](#)  
[Breakingviews](#) | [Portfolio Strategy](#) | [Let's Talk Investing](#) | [Number Cruncher](#) | [Streetwise](#) | [Features](#) | [Dividends](#)

## Globe Investor | STREETWISE

Follow up-to-the-minute developments on the day's market-moving news

Home » [Investing](#) » [Investment Ideas](#) » [Streetwise](#)

Subscribe to RSS 

Entry archive:

[October 2011](#)  
[September 2011](#)  
[August 2011](#)  
[July 2011](#)

[June 2011](#)  
[May 2011](#)  
[April 2011](#)  
[Older Posts](#)



Enlarge this image




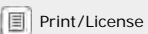
# Avison Young gets \$40-million in private equity

**TIM KILADZE**

Globe and Mail Update

Posted on Tuesday, October 18, 2011 9:40AM EDT


0 comments

**TD Waterhouse**

When you do your own investing, there are no small questions.

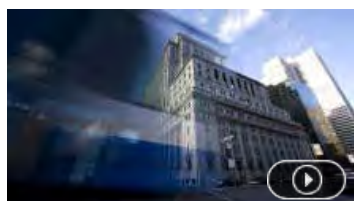
[Learn more](#)

Switch for **FREE** 

These days, there aren't many commercial real estate firms that are free from the burdens of debt. And of the few who aren't, there's an even smaller number who can match the growth numbers coming out of Avison Young, which has seen its revenues grow annually by 30 to 40 per cent over the past three years.

### MORE RELATED TO THIS STORY

- Real estate shines in private equity fundraising
- Vancouver is hopping even when it's sopping
- Toronto house price growth could soon top Vancouver's



**VIDEO**

Tough times for insurance companies

For that reason, the Toronto-based company has received many inbound private equity calls, both from people who want to buy the whole firm, and from those who wanted just a piece of the action. For the most part, management had been shrugging them off.

That is, until Tricor Pacific Capital came calling. The two companies did a little dance for a few months

to get to know each other, and when the music stopped, Avison Young accepted an offer, exchanging two board seats and new common shares for \$40-million of new cash.

"We weren't seeking capital but we had always said that... we'd be happy to work with private equity to grow," said Mark Rose, Avison Young's chief executive officer.

The commercial real estate firm doesn't have a specific use of proceeds

### STREETWISE

- FMC snags three lawyers in Calgary
- Avison Young gets \$40-million in private equity
- Millions set to flow back to Manulife investors
- Sprott makes a bet on a different kind of bank

### MORE FROM THE GLOBE AND MAIL



**NEWS**

Urban agenda neglected, mayor presses Tories to expand Commons



**REPORT ON BUSINESS**

Gold market suffering 'very real damage,' Gartman warns



**LIFE**

Ask the Kielburgers: Where can I get ethical shoes?



**GLOBE DRIVE**

In Pictures: Bentley takes luxury to new heights

from the investment, but Mr. Rose said that part of it will go toward beefing up the company's new Los Angeles and New York offices, and the majority will be used to simply beef up its current growth plan.

Mr. Rose also made it clear that none of the managers are cashing in their holdings. Avison Young will issue brand new shares to Tricor, so the pie is simply being shared by more people.

Avison Young did not disclose the terms of the deal, and because it is a private company, its books aren't open to the public, but Mr. Rose said his firm much preferred a private equity investment over debt financing because the firm has a debt-averse culture.

A number of real estate firms blew up during the worst of the financial crisis because they were saddled with too much debt, and Mr. Rose wants to prevent that at his own shop. Real estate service companies "really are not suited for higher debt loads," he said.

0 comments

Tweet 6 Recommend Confirm Print/License A A

TODAY'S MUST READS

- Hotel staffer quits his job, with the help of a marching band
Occupancy movement sparks a battle of the blogs
Implementing a social media strategy
Share your wartime remembrances
Baseball flourishes without salary cap

Back to top

MORE TOP STORIES



TECHNOLOGY
RIM announces new BlackBerry operating system



OPINIONS
This month's editorial cartoons



SPORTS
NHL enforcers continue to drop the gloves



ARTS
D.W. Wilson: The Canadian who grabbed the Brit lit prize



SMALL BUSINESS
Fortress Paper CEO on contrarian investing



GLOBE INVESTOR
Multiple insider buying at Encana

PHOTOS



TV: Five shows worth watching tonight



Best pictures from the past 24 hours



Photos of the Israeli-Palestinian prisoner swap

VIDEO



Video: Why China's slow growth is good



'Beardo' Kleeberger gets a close shave



Shia LaBeouf's Vancouver bar brawl

Subscribe now and get The Globe and Mail how you want it

Enjoy the convenience of having The Globe and Mail delivered right to your door, your mobile phone and computer. From exclusive content and mobile apps to online tools and loyalty