

Avison Young Closes on GVA Firm Buy to Enhance Presence in the UK

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LONDON—Avison Young, which is headquartered in Toronto, reports today that it has closed on the acquisition of UK-based GVA, dramatically increasing its presence in the UK and in other European markets.

The deal that was announced in November now increases Avison Young's operations to include approximately 5,000 real estate professionals in 120 offices in 20 countries. No terms of the transaction were disclosed. The merger increases Avison Young's revenue to 25 times its 2008 level to approximately C\$1 billion (\$761.3 million).

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Avison Young adds offices in: the United Kingdom (London, Belfast, Birmingham, Brighton, Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Liverpool, Maidenhead, Manchester, Newcastle); in Austria (Vienna); in Bulgaria (Sofia); in China (Beijing, Guangzhou, Hong Kong, Shanghai); in Croatia (Zagreb); in France (Bordeaux, Lyon, Marseille, Paris); in Greece (Athens, Thessaloniki); in Italy (Milan, Rome); in Norway (Oslo); in Poland (Warsaw); in the Republic of Ireland (Dublin); in Romania (Bucharest, Cluj-Napoca,



Mark E. Rose, chair and CEO of Avison Young

Timisoara); in Russia (Moscow); in Spain (Madrid) and in the United Arab Emirates (Dubai).

The brokerage firm boasts that the deal with GVA establishes Avison Young as the only privately held, principal-led, global, full-service commercial real estate services firm. The merger also establishes Avison Young among the top five commercial real estate advisory businesses in the United Kingdom.

“This acquisition represents another milestone in our global expansion strategy, and the combination will better position Avison Young to

serve our clients across the world," says Mark E. Rose, chair and CEO of Avison Young. "Furthermore, the acquisition establishes Avison Young as the global, disruptive challenger brand."

He notes that the deal doubles its size and "increases our scale and presence, expands our global talent pool and reach, and enhances the breadth and balance of our services. Most importantly, the combination increases the resources that we can invest in innovation to keep our clients ahead of the curve," Rose said.

GVA maintains a broad portfolio of national and international clients, including U.K. public institutions, multinational corporations, major space users, developers, owners, lenders and investors.

The company announced the post-acquisition leadership team will include Avison Young principal and U.K. managing director Jason Sibthorpe, who becomes principal and president, U.K.; GVA CEO Gerry Hughes becomes principal and managing director, U.K. and managing director, global consultancy and GVA chair Andy Mottram, who becomes principal and managing director, Europe.

The acquisition includes GVA Worldwide Ltd.—an international organization of licensed affiliate commercial real estate advisory companies with offices in 20 countries. GVA has 1,500 employees in 15 offices in the U.K., Ireland and Poland alone, and is a founding member and majority shareholder of GVA Worldwide.

Credit Suisse and KPMG LLP acted as Avison Young's financial advisors in the acquisition of

GVA; and Gowling WLG (UK), DLA Piper LLP (US and UK) and Stikeman Elliott LLP (Canada) served as Avison Young's legal advisors.

In connection with the GVA deal, Avison Young has undertaken a recapitalization. The acquisition and the refinancing were funded through a combination of cash on hand, committed financing from Credit Suisse, CIBC and BofA Merrill Lynch, and additional common equity, including participation by Caisse de dépôt et placement du Québec.

The firm reports it has ample capital to invest further in its global growth strategy. Also, in conjunction with the transaction, GVA senior directors who will become Avison Young principals, and certain other GVA employees, will receive Avison Young shares.

The closing of the GVA merger follows Avison Young's announcement in July of last year that CDPQ, one of Canada's leading institutional fund managers, made a C\$250-million preferred equity investment to accelerate Avison Young's strategic growth plan. Avison Young made its first investment under its strategic partnership with CDPQ by acquiring leading U.K. firm Wilkinson Williams LLP and opening a new office in London's West End on August 1. In October, Avison Young opened its first office in Asia, in Seoul, South Korea, with 63 members joining from Mate Plus Advisors Co. Ltd.

John Jordan is a veteran journalist with 36 years of print and digital media experience.