

Captive tenant negotiation

Lease Renegotiation, Expansion & Project Management

Torkin|Manes
Barristers & Solicitors



Client:

Torkin Manes LLP

Location(s):

151 Yonge Street, Toronto

Industry:

Legal Services

Services Provided:

- Transaction Management
- Negotiation Strategy & Implementation
- Project Management

Date:

2004 – Present

CHALLENGE

Torkin Manes had been located at 151 Yonge Street since 1990, originally occupying 33,500 square feet. Savills was retained to help Torkin Manes evaluate an unsolicited offer it received to lease its space to a neighbouring tenant who required expansion space. After using this opportunity to secure its long-term tenancy within the building, Torkin Manes again retained Savills in 2014 under different circumstances—an impending sale by the owner of 151 Yonge Street. Savills would be required to leverage market conditions to take advantage of another strategic renewal opportunity.

SOLUTION

Savills indirectly engaged with rumored new ownership groups to plant the seed that 151 Yonge Street was in danger of losing its lead tenant. While the risk of this potential vacancy was understood to be factored in to the building's purchase price, an opportunistic buyer could eliminate this risk and increase the building's value by immediately engaging in negotiations for Torkin Manes' continued tenancy upon building acquisition.

RESULTS

By implementing Savills' proposed strategy, Torkin Manes' long-term tenancy was secured with significant flexibility and inducement provided to Torkin Manes. This included financial contributions, paid during the pre-committed lease term, to overhaul and "re-fresh" Torkin Manes' existing premises as well as expansion rights. Expansion rights have been strategically exercised to align with Torkin Manes' growth, allowing the firm to effectively expand its operations while minimizing real estate costs associated with surplus real estate.

Throughout the law firm's occupancy, Savills Project Management and Interior Design team have continued to assist Torkin Manes in implementing phased renovations throughout its premises.

COMPANY DESCRIPTION

Torkin Manes LLP is a full service, mid-sized law firm based in downtown Toronto, offering the services of more than 95 lawyers. Covering the same areas of expertise as larger firms, Torkin Manes provides all the benefits of a mid-sized, entrepreneurial law firm. Since being founded in 1974, Torkin Manes has enjoyed substantial growth through a focus on integrity, high-quality legal knowledge, personal client service, and effective, efficient results.