

LASERCAD® CASE STUDY

ADDING VALUE

The Challenge

Our client was spending several million dollars purchasing a 76,000 ft.² multi-unit industrial building in Newfoundland and retained our Valuation Division to value the property for them.

Turner Drake's Approach

Our professional staff join us direct from university and then embark on our seven year training program which includes mentored "on the job" training, twenty-seven "in house" training modules and the University of British Columbia's Diploma in Urban Land Economics and Bachelor of Business in Real Estate (BBRE) degree. As the initial part of their initial mentored training they join our Lasercad® Space Measurement Division to build expertise in property measurement and building inspection. All of our Valuation Division personnel are skilled in space measurement and familiar with the various BOMA Standard Methods of Measurement.

Normally fees for property valuations do not contemplate reading every lease, so in order to test the veracity of the property manager's synopsis we utilise a sampling procedure, reading the anchor tenant leases and 10% of the remainder picked at random. We use a similar sampling procedure for measuring the tenant suites. However, since the property was being valued for purchase purposes the client agreed with us that we should read every lease and measure every tenant suite. Our Valuation team completed their on-site inspection, measuring every tenant space and reading each lease in detail.

Winning Results

A comparison of the lease areas with the actual rentable areas, as determined by our inspection, disclosed that a 6,000 ft.² mezzanine area had been omitted from one of the leases. The rentable area of the property was 8% larger than that contemplated by the vendor.

