



BGO Snaps Up Warehouses as Part of Major Acquisition Campaign

BentallGreenOak, Now Known As BGO, Looks To Purchase More Canadian Industrial Properties



BGO recently purchased this property and another similar industrial structure near the Trudeau International Airport in Montreal. (CoStar)

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BGO, the giant Toronto-based real estate investor long known as BentallGreenOak, has earmarked \$1 billion for possible acquisitions in a strategy it unveiled while announcing the purchase of a pair of industrial properties in Montreal.

BGO recently paid [\\$43.6 million](#) for 236,000 square feet of industrial space at [5400-5490 Thimens Blvd.](#) and [5550-5750 Thimens Blvd.](#) The properties are 95% leased and are located near Montreal's Trudeau Airport. BGO said in a statement that the properties are "expected to generate compelling risk/adjusted returns for our investors at the top of the range we are targeting for the fund."

Chetan Baweja, who serves as managing director and portfolio manager for BGO, shed light on the company's plan to adopt what it calls a value-add strategy, indicating in an email to CoStar News that it believes that bargains are out there to be had.

"We are seeing a real increase in motivations for market participants to sell good quality assets to fulfill a wide variety of liquidity needs. As a result, we've been assessing a large and growing pipeline of opportunities for the strategy which now exceeds \$1 billion in total potential investment," Baweja said.

While \$1 billion is a hefty sum, BGO reports to have sizable US\$83 billion in assets under management and operates 28 offices worldwide as the real estate arm of Sun Life Financial, which has [US\\$1.3 trillion](#) in assets under management.

BGO remains bullish on industrial properties in Canada, noting that Canadian regions occupy six of the top 20 spots for lowest industrial vacancy rates in North America. BGO plans to upgrade its existing facilities, which include 4 million square feet in the Montreal area alone. “The improvements will include upgrades that will benefit the existing tenants in the portfolio and continue to attract high quality tenants at market rates,” said Baweja.

Along with industrial properties, BGO is looking to invest in multifamily dwellings as well as some student housing, data centres and life science properties. The BGO plan makes no mention of office space.

BGO remains inclined to invest in its hometown of Toronto and the surrounding Greater Golden Horseshoe area, as well as the Montreal and Vancouver regions.

“We are focused on these markets given they benefit most from immigration, highly educated workforces and are global centres for business and innovation,” the note stated. “Our secondary focus is on markets benefiting from high population growth and strong local economies like Ottawa, Calgary, Edmonton, and Victoria.”

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