



STAFF REPORT ACTION REQUIRED

Sale of 182 Aylesworth Avenue

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| Date: | November 22, 2010 |
| To: | Scarborough Community Council |
| From: | Chief Corporate Officer |
| Wards: | 36 – Scarborough Southwest |
| Reference Number: | P:\2010\Internal Services\RE\Sc10078re - (AFS 12902) |

SUMMARY

The purpose of this report is to obtain approval for the sale of the City-owned property at 182 Aylesworth Avenue.

The property was listed for sale on the open market, and the Offer to Purchase from Dewan Mutaher and Farhana Ahmed is being recommended for acceptance by the City.

The terms for completing the transaction as set out herein are considered to be fair, reasonable and reflective of market value.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council authorize the City to accept the Offer to Purchase from Dewan Mutaher and Farhana Ahmed to purchase the City-owned property, located at 182 Aylesworth Avenue, being Lots 162 and 163, Plan 1964, Toronto (the "Property") in the amount of \$255,500.00 substantially on the terms and conditions outlined in Appendix "A".

2. City Council authorize each of the Chief Corporate Officer and the Director of Real Estate Services severally to accept the Offer to Purchase on behalf of the City.
3. City Council authorize that a portion of the proceeds of closing be directed to fund the outstanding expenses related to the Property and the completion of the sale transaction.
4. City Council authorize the City Solicitor to complete the transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions, on such terms as she considers reasonable.
5. City Council rescind that portion of Administration Committee Report No. 19 (30) adopted, as amended, by Council at its regular meeting held on October 3, 4 and 5, 2000 and its Special Meetings held on October 6, 10, 11 and 12, 2000 requesting the Commissioner of Community and Neighbourhood Services to submit a report to the Administration Committee on the appropriate action that should be taken to serve the City's interest when the specified tenant(s) vacate the properties.
6. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

Revenue in the amount of \$255,500.00 (net of HST), less closing costs, the usual adjustments and a real estate commission of 4% is anticipated.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

The Property was purchased in 1970 by the then Municipality of Metropolitan Toronto ("Metro") for the Scarborough Transportation Corridor ("STC") and was subsequently leased.

On May 22, 1996, the former Municipality of Metropolitan Toronto Council declared the Property surplus and authorized its disposal by offering it first to the existing tenant and then on the open market.

In October 2000, City Council adopted Administration Committee Report No. 19 (30), directing that the City hold in abeyance the sale of certain tenanted STC surplus properties, including the Property, until the tenant(s) specified in the report vacated the properties. Council also requested the Commissioner of Community and Neighbourhood

Services to submit a report to the Administration Committee on the appropriate action that should be taken to serve the City's interest when the tenant(s) specified in the report vacates the property. That report has not been submitted, and it is now recommended that once the subject properties become vacant, staff proceed to sell same on the open market.

ISSUE BACKGROUND

The tenants vacated the Property, and staff consulted with the Affordable Housing Office who confirmed that they had no interest in the Property and no objection to it being offered for sale on the open market.

COMMENTS

Further details of the Property are:

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| Approximate Measurements: | Northerly Limit: 42.8 m± (140.4 ft±) Easterly Limit: 15.2 m± (49.9 ft±) Southerly Limit: 41.2 m± (135.2 ft±) Westerly Limit: 13.1 m± (43.0 ft±) |
| Approximate Area: | 650.9m ² (7,006.5 ft ²) |

On October 8, 2010, the Property was listed for sale on the open market with a listing price of \$249,900.00 with Re/Max All Stars Realty Inc., Brokerage.

The following offers were received:

| Offeror's Name | Offer Amount | Deposit | Additional Terms |
|---------------------------------|---------------------|---|-------------------------|
| Dewan Mutaher and Farhana Ahmed | \$255,500.00 | \$12,775.00 (Bank Draft) | None |
| Selvakumar Balasubramaniam | \$108,200.00 | \$5,500.00 (Bank Draft) | None |
| Sonja Ilioska | \$251,000.00 | No deposit included in offer package | None |

The Offer to Purchase submitted by Dewan Mutaher and Farhana Ahmed in the amount of \$255,500.00 is considered fair, reasonable and reflective of market value and is recommended for acceptance substantially on the terms and conditions outlined in Appendix "A" to this report.

All steps necessary to comply with the City's real estate disposal process as set out in Chapter 213 of the City of Toronto Municipal Code have been complied with. A Cost Centre has been put in place to charge costs directly related to the sale of City-owned properties. A recommendation is included in this report to direct a portion of the sale proceeds to fund the outstanding expenses related to this property.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.,
Chief Corporate Officer

ATTACHMENTS

Appendix A: Terms and Conditions of Offer to Purchase
Appendix B: Site Map and Sketch No. PS-2008-053