



## REAL ESTATE ROUNDUP

### PETER MITHAM

*Interior resorts focus on fine design to woo conservative consumers*

#### Smaller, finer

Vancouver Island resorts are on the block and hotel development in Vancouver is off its pre-Olympic boom, but developers in the Okanagan are repositioning for growth.

Tourism Vancouver lists just one property, the 154-room **Rosewood Hotel Georgia**, in its running report on future accommodation in Metro Vancouver, while in the Okanagan new projects are sprouting with a conservative mindset.

Buyers are more cautious and developers face narrower margins than they did a few years ago, said **Ed Romanowski**, president and CEO of **Bellstar Hotels and Resorts Ltd.** and a speaker at October's Western Canadian Hotels and Resorts Investment Conference in Vancouver.

Romanowski said prices of resort properties are 10% to 20% down from the market peak, driven down by a general decline in asset



Petite and sweet: units at Kokanee Springs Resort and other B.C. resorts are smaller but lavishly outfitted as developers seek to appeal to a more conservative market - and preserve their margins

values as well as a surfeit of listings and the knock-on effect of the HST.

He added that the

decreases have kept new prices in check, even as construction costs - especially outside of Vancouver - haven't dropped

by the same degree.

"Prices have come down, but ... the cost to build has not dropped by 20%."

Smaller units with better finishes are now the order of the day, Romanowski said, with new units at **Spirit Ridge Vineyard Resort** in Osoyoos reflecting the trend. Units in the 40-unit Spirit Ridge Residence Club, set to complete by 2012, will include one-bedroom and smaller two-bedroom units in addition to the standard two-bedroom and three-bedroom units originally planned.

It's a similar story at **Kokanee Springs Resort**, where interest is favouring bungalows over two-bedroom villas with lofts.

"Something's got to give," Romanowski said, "because the consumer isn't willing to pay, and the developer can't build for no profit at all. It doesn't make any sense, otherwise we're going to continue to see several developers fail."

The trend is helped by high-end finishing at newly opened projects, including the **Watermark** in Osoyoos and **Sparkling Hill Resort** in Vernon. Romanowski rates the latter, "one of the best new properties built in Canada in the past 20 years."

Both were planned before the market turned south, however their opening this year will feed consumer appetite for high-quality resort digs.

"But from a condo-resort

point of view, you couldn't quite do what they did, because you couldn't sell it," Romanowski said of Sparkling Hill, which includes \$10 million worth of **Swarovski** crystal. "You couldn't spend that kind of money on a condo-resort project."

**"Something's got to give, because the consumer isn't willing to pay, and the developer can't build for no profit at all"**

- Ed Romanowski, president and CEO, Bellstar Hotels and Resorts.

#### No frills

**Loblaw Companies Ltd.** is setting its sights on the Broadway corridor with plans for a new store near the nexus of grocers in the Cambie-Broadway neighbourhood.

**Caromar Sales Ltd.** has successfully leased the **Office Depot** premises at 310 West Broadway to the Brampton, Ontario-based retailer for a **No Frills** store. **Craig Ware**, Loblaw's director of corporate affairs for Western Canada, said the store will offer shoppers "a tremendous price value proposition."

This columnist remembers his first sighting of a No Frills location in Saint John, New Brunswick, back

in the days when its signature packaging was industrial yellow with sans-serif lettering. The new Vancouver store will offer no-name products as well as Loblaw's popular President's Choice line.

The offerings should provide a counterpoint to the stock at **Whole Foods** on West 8th while boosting competition for consumer dollars flowing into nearby locations of **Safeway** and the **Pattison Group's** **Save-On Foods** and **Buy-Low Foods**.

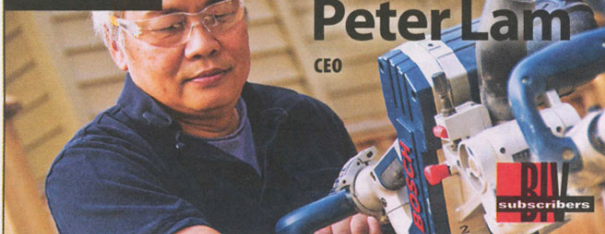
**Office Depot** is scheduled to close in September. An opening date for **No Frills** has yet to be set.

#### Adieu

One other closing of note: the dancers at Vancouver's **Cecil Hotel** had their last swing around the pole on July 31, six months after **Rize Alliance Properties Ltd.** hosted its ritzy (and risqué) "last dance" party for the strip club. Together with the adjacent **Yale Hotel**, the downtown south site will be redeveloped as the 185-unit **Rolston** condo tower in spring 2011.

By then, **Rize Alliance** will have completed its 48-unit **OnQue** project at Quebec and East Broadway. **Rize** plans to release units to the market in September, positioning them as flexible residences equipped with partitions to suit occupants' changing needs. ■ pmitham@telus.net

## Profile



### Peter Lam

CEO

#### BUSINESS LINES

**Business/Organization Name:** Peter's Handyman Services Inc.

**Business Focus/Specialty:** Handyman Services

**Business Advantage:** Ability to be multi-talented in many trades. Man of many talents and skills. Honest, down-to-earth advice

**Website:** www.handy peter.com

#### FOUNDATION

**Name:** Peter Lam

**E-mail:** peter@handypeter.com

**Occupation/Position/Title:** CEO

**What I do:** We provide renovation, repair and preventative maintenance services to commercial and residential clients. We keep abreast with industry advancement and have a variety of up-to-date tools to do each job efficiently and effectively

**Credentials:** Red River Community College, Winnipeg

**Professional Background:** Automotive Technician

#### FAVOURITE STUFF

**Favourite Achievements:** To be successful at a second career

**Goals:** To provide quality handyman services to my clients

**Passions and Interests:** The ability to utilize my skills to make things work better. Trouble shoot hard to solve problems. Volunteering at community events

**Current Read, Author:** *Do It Yourself - A step-by-step guide*, Julian Cassell and Peter Parham

**Someone I Admire/Why:** Mike Holmes for his consistent good quality work

**Five people (of all time) I would invite to my dinner gathering:** Mike Holmes, Bryan Baeumlner, Jim Caruk, Sarah Richardson, Debbie Travis

**Business Tip or Motto:** If it's broken I can fix it

**Favourite TV Show:** *Holmes on Homes*, *Sarah Richardson*, *Debbie Travis*, *Jim Caruk* and *Disaster DIY Bryan Baeumlner*

**Favourite Holiday Destination:** England

**Favourite Community Organization or Charity:** Burnaby Hospital

**Favourite Reason for Subscribing to BIV:** To read about businesses in Vancouver

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