

# CONDOS: 'There's a lot of money in this town'

The 40 luxury condos will be above two separate buildings for the 150-room boutique hotel and office tower. The three components will join in a bridge formation, creating an open breezeway in the centre.

Work has begun on the site and completion is geared for the end of the summer of 2009.

Bruce Graham, president and CEO of Calgary Economic Development, said he was surprised at how quickly the condo units sold out.

"I thought there was a good opportunity there for a successful project, and it was a unique product coming into an area of the city where there isn't a lot of product, but I never in my wildest dreams expected she'd sell all 40 units in a day," said Graham.

"What I liked about the project was that it's picking up on a trend that we've seen in other markets... and that is mixed-use with hotels and condos together. That has been successful. Le Germain has been very astute in taking the right product to the market."

Graham said the fact those luxury condos sold so quickly "also speaks to the appeal of downtown. It's another reflection of Calgary becoming a modern, sophisticated marketplace and again it follows a trend that we've seen in Vancouver and Toronto where downtown condos (are) very attractive... There's a lot of money in this town and this is obviously a reflection. It speaks to the continued economic buoyancy and the confidence (in Calgary)... I'm sure that's going to bode well for the development plans elsewhere in the downtown and into the East Village area of the city."

John Hagg, a former chair with Norstar Energy and Devon Canada, bought one of the condo units in the Le Germain Calgary project.

"I like that style of living," said Hagg, now an investor and a director for some companies from time to time. "That was the toughest decision to say, 'oh, wouldn't you rather be in Eau Claire or how about down along 26th Avenue off of 4th Street (S.W.) or whatever'. But I think the time has come for the condo/hotel idea in Calgary and, if you think about San Francisco or New York or more recently Toronto and Vancouver, the concept

of having the benefits of the hotel, I mean it's a terrific lifestyle.

"The reason why we're there is not the location. It's because that's where Le Germain Hotel is going to be. I stay in Le Germain when I go to Toronto... So that's how I found out about these people and when I heard they were building a place in Calgary I immediately said 'hey when this place opens it will instantly be the best hotel in the city.'"

New high-end residential condos in the downtown area are becoming a popular and attractive alternative for home owners in Calgary.

For example, Cassie Campbell, in sales with **Torode Residential**, said only 16 units out of 165 are still available for purchase in the first tower of the Arriva project near the Stampede grounds — the tallest residential tower in the province. The 34-storey tower, which will be ready for occupancy in August, has sold units from \$450,000 to \$2 million. Size of the units ranged from 867 square feet to about 3,000 square feet in the penthouse.

A second tower of 42 storeys will have 200 units and already 60 per cent of them have sold. Prices in the second tower range from \$450,000 to just over \$3 million. Construction for that tower is expected to begin within a month. Completion is expected by the fall of 2009. A third tower, also of 42 storeys, is also planned for the site.

"We've got fairly generous square footages to start with, but we've seen this real need for large kind of bungalow-style homes and you can't find them in the core

right now so people are combining units... We've seen a lot of that. We've probably sold 20 units that way actually," said Campbell.

In the MLS resale market so far this year, 10 condos in the city have sold for over \$1 million, according to the Calgary Real Estate Board. In May sales in the city, the average price of a condo jumped to \$332,237 — a 21.52 per cent hike from the \$273,407 recorded in May 2006.



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**BRUCE GRAHAM,**  
CALGARY  
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DEVELOPMENT