



Brian McCauley

These are interesting times for Vancouver

*Vancouver Real Estate Forum chairman
Brian McCauley looks at his city in comparison
to the rest of the world and shakes his head.*

By William Ding
TheSquareFoot.ca

With all the upheaval that's going on around the world and you see what is going on south of the 49th, with the exception of Toronto, Vancouver just seems to be somewhat of an island unto itself," says McCauley, president and COO for Concert Properties. "There's just an incredible amount of demand for existing assets and land. "We can talk specifically sector by sector, but there seems to be an insatiable desire or demand on the part of developers and those in the real estate industry for more and more product. It just seems to be counterintuitive to what we read every day in the newspapers. So it's an interesting time.."

Vancouver, he says, is doing very well in many asset

classes. The city is clearly benefiting from being Canada's gateway to the Pacific Rim.

That role is helping Vancouver gain from strong immigration and strong investment, particularly out of China on the residential side. Heading a panel discussion that will examine the residential, the retail, office and industrial sectors, he hopes to explore sources of demand further.

"For instance, there's a lot of press today about bubbles in the residential sector and whether we're truly going to see a significant correction," says McCauley.

If the Chinese investor disappears from the market, he wonders, where will the demand come from? Clearly, it will be different if the market is just catering to the end user.

On the office side, McCauley wants to examine further how the economics of new space work today. There is a pent-up demand for new, state-of-the-art office space as so little has been constructed in the last decade which speaks to why there is so much new office space being planned today. But is there enough demand to backfill existing space?

Sustainability is also a concern. He wonders how its impact will affect the market as a whole, not just a particular asset class.

"No matter what sector we're involved in – whether it's residential, or office, or retail or industrial – we're all striving to create greener buildings," he says, adding Concert takes a holistic approach to sustainability.

"My concern is some of the things we're hearing coming out of the U.S. about buildings that have been designed to high levels of sustainability but are not performing at that level. So I'd like to try and find out whether there's some fear amongst the developers in the industry about continually delivering leading-edge technology on sustainability and how far we should be pushing that."

But, ultimately, McCauley would like to find out why Vancouver is operating so strongly, regardless of sector, when he picks up the newspaper every morning and reads about the demise throughout Europe or slow recovery in the U.S.

"How is it that we're managing to buck the trend on some of that?" he asks. ■

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