

# Concert increasingly playing a local industrial development property tune

Lower Mainland market for hotel deals heat up as Vancouver's Westin Bayshore on sales block

## REAL ESTATE ROUND-UP PETER MITHAM



### Concert buys industrial

Vancouver's **Concert Properties Ltd.** recently picked up 21.2 acres of industrial land in South Vancouver and plans to redevelop it with a mix of industrial uses that use the river frontage and support local job growth.

The acquisition includes a 16.4-acre parcel formerly home to **Canadian Forest Products Ltd.**'s Silvertree mill and a smaller 4.8-acre site immediately to the east on Kent Avenue South. The purchase price for the Canfor site was about \$14 million, or approximately \$850,000 an acre; the price of the small site had not been disclosed at press time.

Though not quite in the range of what some residential sites in the city have been fetching, the price reflects the demand for waterfront industrial sites and those located along major transportation corridors.

**Alan Whitchelo**, Concert's senior vice-president of development, noted that the site is close to Southwest Marine Drive, regional thoroughfares and the **Vancouver International Airport**. The Canada rapid transit line also cuts across the eastern portion of the site. Key to dictating what Concert will put on the site lies in the results of a city planning study for the area that responds to the

construction of the Canada line to the east and redevelopment of a portion of the Eburne lands with **TransLink's** new bus barns to the west.

However, Whitchelo believes the site's size will allow Concert to pursue a creative development plan that incorporates river uses and supports area job growth.

Concert has also added industrial land to its investment portfolio. It recently bought commercial and industrial properties in Calgary and Edmonton. Concert's investments include 5.2 million square feet of commercial, industrial and residential space in B.C., Alberta and Ontario.

### Care home squabble

The uproar in Williams Lake over the pending closure of **Deni House**, an extended care home attached to the local hospital, raises questions about the economics of seniors care in the province's Interior. The initial 2003 announcement about Deni's pending closure sparked local outrage over the loss of the community's sole publicly funded seniors home. But seniors housing has never been lucrative. That reality increasingly makes economies of scale and government funding integral to their operation. Groups like Vancouver's **Icelandic Höfn**



**Buying in Concert:** two adjacent parcels of land in South Vancouver recently sold to Concert Properties Ltd., which plans to redevelop the industrial sites following a municipal planning study of the area

**Society**, for example, have led partnerships to develop existing homes into larger facilities – in

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president,  
**Retirement Concepts**

the Icelandic case, a "campus of care" with 144 units.

So Deni House and another Williams Lake residence will close at the end of March, and their residents will be moved into a 44-bed

expansion of Vancouver-based **Retirement Concepts Seniors Services Ltd.**'s existing 102-unit facility in the community. All beds transferred from Deni House will receive provincial funding, and the 146-unit campus will achieve economies of scale through the consolidation.

"You can't have a seniors housing facility that has any kind of economies of scale if it's smaller than 75 units," said Retirement Concepts president **Azim Jamal**. "If it's smaller than 75 units, the cost to run it per day becomes prohibitive."

### Hotel dealings

**Colliers International Hotels** is projecting another solid year for hotel sales in 2007. The forecast follows 2006 data indicating that the average hotel property sold at 10 per cent above 2005 values

last year, while total hotel sales volumes were up at least 60 per cent over the year before.

Now, word comes from **CB Richard Ellis** that **Starwood Capital Group** is preparing to sell the Westin Bayshore Resort and Marina and four other Westin properties it acquired in Canada two years ago. While CB is handling the portfolio, it's bound by confidentiality agreements to keep mum until further notice.

The 2005 deal valued the Bayshore at approximately \$120 million, which placed the sale second on that year's list of the biggest real estate deals in the province.

North Vancouver has also seen activity, with Vancouver-based **Mayfair Hotels and Resorts Ltd.** adding a hotel development site in the Harbourside business park to its holdings.

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