

SECTION J

PANORAMA HILLS

**25 Showhomes
New Lots Just Released**

GENSTAR.COM

CONDO OF THE WEEK Villas at Cranston offers the best of all worlds, with its single-family attractions, without the big price tag. See page J3.



EVERGREEN

Final Estate Phase Released!

SEE MORE AT GENSTAR.COM

NEW CONDOS

AND

RECREATION & INVESTMENT PROPERTIES

EDITOR: BARB LIVINGSTONE 403-235-7339

WWW.CALGARYHERALD.COM/HOMES

SATURDAY, AUGUST 28, 2010



Gavin Young, Calgary Herald

Bryan Masse has bought his second condo by Qualex-Landmark in the Beltline. He stands next to the model of the Luna building in the company's sales centre.

Hello, City? Give Bryan a call

Design consultant personifies
new inner-city buyer

KATHY MCCORMICK
CALGARY HERALD

As the City of Calgary rolls out implementation of Plan-It, its document to encourage intensification of the downtown core, it may want to call Bryan Masse.

He loves living in the inner city. "I was tired of being so far away from everything," says the 23-year-old design consultant who bought a condominium unit in Qualex-Landmark's third development — Luna. He already is living in Stella, the first condo in Calgary by the B.C.-based developer.

"My office is in Deerfoot Meadows, so I didn't buy to be closer to work, but being in the centre of the city is an equal distance from anywhere else so it's really fast to get around to any part of the city,"

says Masse.

Add on the character of the homes and buildings in the inner city, the area's cultural venues, sports facilities and entertainment spots, and it's ideal, he says.

"I am not the stereotypical buyer looking for the picket fence and three-bedroom house in suburbia," says Masse. "I went to university overseas and a lot of people I met there grew up in a condo. I would even consider raising a family here. My new condo is large enough for a family with one or two kids, and the area is really nice with Connaught School which is a heritage building. There's also a nice park."

Masse bought a home on the 22nd floor of Luna. "The views of the mountains are phenomenal."

SEE LUNA, PAGE J2

ABOUT THE DEVELOPER

Qualex-Landmark is a B.C.-based developer that has built many multi-family buildings in Vancouver and area.

Roger Navabi, president of Qualex-Landmark Group of Companies, has been involved in the real estate industry as a developer and investor since 1982.

Luna is Qualex-Landmark's third development in Calgary. It also owns the Alberta Boot land and has secured another property across from Lougheed House in the Beltline.

— Kathy McCormick



FROM PAGE J1

LUNA: A Beltline success story

The amenities within the building, which include a gym and outdoor courtyard with a fireplace, are added bonuses, he says.

Luna is one of the Beltline's biggest successes in a time when the number of condo units that are complete but not occupied is high, the number of resale units is rising, and many of the projects that had been announced or even started have now been stalled or taken off the books altogether.

"Inner-city development is much slower to react to changes in market demand than the suburban market," says Calvin Buss, president of Buss Marketing, which has just released its latest mid-year inner city market report. "As a result, there is a backlog of inventory with new product still being delivered," says Buss.

The Calgary Real Estate Board had an inventory of 571 highrise units in the Beltline area in April and the Buss report found 1,836 unsold new units in 10 highrise apartment buildings in the area bounded by the Elbow River on the east, 14th Street S.W. on the west, the Bow River north and 25th Avenue S.W. south.

In June, 51 unabsorbed units were in the Beltline and Lower Mount Royal area that includes the communities of Victoria Park, Lower Mount Royal and Connaught, according to Canada Mortgage and Housing Corp.

A total of 1,388 units were under construction.

"Apartment inventories in the Beltline area are expected to increase as units under construction are completed," says Richard Cho, senior market analyst for the Calgary branch of CMHC.

"New condo units will experience competition from the resale market as condo listings are activated."

The numbers represent approximately 18 to 20 months of inventory on the market, according to Buss.

Of the sales so far, though, many have come from two particular developments: Luna and Midtown, he says.

"Luna has had decent sales but then at \$390 per square foot they have some of the

best prices, too.

"Midtown has had good sales but the volumes were driven mainly through the sales of small units priced in the low \$200,000s; now that this inventory is mostly used up their sales have fallen off dramatically."

The key, he says, is value and affordability.

"Developers will need to find creative ways to offer value first and lifestyle second."

That is just what Qualex-Landmark has to offer, says the vice-president of sales and marketing for Qualex-Landmark.

"If it is built well and priced well it will sell," says Chris Colbeck. "Last month, we wrote 10 deals — and most people are assuming those are one-bedroom units. Seventy per cent of our units are two bedrooms."

In addition, sales are not investors.

"Seventy per cent of those sold are to end users."

The low interest rates have been a factor, he says. The company offers one per cent off the posted rates at closing of the sale when the development is ready for occupancy in approximately two years.

"We're in the sweet spot for pricing, we have secure interest rates and we're a trusted developer with high-end specs," says Colbeck.

People are making long-term decisions, he says.

"It is by no means an easy sell, but it is normal, which is healthy," adds Colbeck.

While Buss points to 15 highrise buildings on hold after launching and another 15 in development but not yet launched, he is still optimistic. More highrise condos will be needed for the area and since they take two years or more to build, there will be a shortage unless new ones are started soon.

"The market will continue to reinvent ways to download its existing inventory. The main problem developers face is the squeeze between needing to adjust selling prices



Calvin Buss



Galvin Young, Calgary Herald

The Luna project by Qualex-Landmark, in the Beltline, is due to be completed in 2012.

to the realities of the current economic environment and the constraints of locked-in costs.

"So, in many ways, there will be two markets: one where existing sellers wrestle with sales velocity and pricing; and one where developers find new and better ways to provide product that doesn't necessarily compete with existing inventory, whether that is through pricing, product mix, lifestyle issues, or other advantages."

Qualex-Landmark is so confident in the market that it has another site in the city — the Alberta Boot land — and has just secured another parcel for a mid-rise across from Lougheed House in the Belt-

line.

"Calgary is one of the hot spots in Canada. Net migration is still up, building applications in the downtown core are at an all-time low, the demographics show the age, income and employment rates are good, and the urban core has a low vacancy rate for condo rentals," Colbeck says. "And in two years, the time it takes to build, there will be a hole in the market."

Buss, too, notes that developers have once again been coming to the city to look for land.

"The last two months we've been flooded with out-of-town interest," he says, noting that many have bought land for future development.



THE BUYER

NAME: Bryan Masse

AGE: 23 years old.

BACKGROUND:

The young design consultant lives in Stella, the first highrise development by B.C.-based Qualex-Landmark, and has just purchased a second condo in Luna, the third of Qualex-Landmark's towers in the Beltline.

"I hardly ever drive my truck," says Masse. "I walk everywhere and there's everything I need here, from a grocery store to art galleries and furniture stores."

Masse bought a two-bedroom unit in Luna, which will be ready in approximately 18 months. "I am quite confident we will see the market go up, not down, in future. I'm quite confident my unit will be worth significantly more than I paid for it."

He says his purchase is "long term," and he intends to keep the unit in Stella as an investment.

BUILDER/DEVELOPER:

Qualex-Landmark.

POSSESSION:

Approximately 18

months away.