

# Globe Real Estate

CONSTRUCTION

RENOVATION

## HOME OF THE WEEK

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## CONDOMINIUMS

## Downtown West is a condo lover's boomtown



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**D**owntown West has proved to be a bit of a marvel. Over less than a decade a section of Toronto once distinguished by its profusion of abandoned factories and tiny run down workers' homes has been transformed into one of the most vibrant areas of the city.

The pace of condo development is so great that people like George Carras, president of RealNet Inc., which tracks the housing market, point out that there is more new condo construction in that one area of Toronto than in entire cities across Canada.

How brisk is the pace? Depends on your definition. RealNet's Downtown West runs from Bloor Street to the Lakeshore and from University Avenue to Dufferin Street, and at the end of January it says there were 55 projects on the go with a total of 15,562 units.

Urbanation's version of Downtown West is smaller. It looks at the area from College Street to Lakeshore but maintains that University to Dufferin east-west boundary. It says at the end of December there were 39 projects on the go with 9,566 suites of which 85 per cent had already been sold. Note that RealNet tracks the market month by month and Urbanation quarter by quarter.

Fine points of definitions and procedure aside, both companies rank Downtown West as the hottest area in the GTA for sales of new condos and both marvel at its success reinventing itself.

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## Downtown West lures builders and buyers

➤ I like Urbanation's definition of Downtown West better, so let us stick with that.

What has happened in Downtown West is just prelude. That exhausting pace of new projects in a relatively small chunk of the city seems certain to continue. Ben Myers, executive vice-president of Urbanation, says he can see another 9,286 suites in the prelaunch or planning stages.

"We already had three launches in February alone," he says. They included Thompson Residences at Bathurst and King streets, 775 King West and ART on Dovercourt Road just south of Queen Street West.

"It really is phenomenal – the pace of construction and the enormous demand for suites there," he says.

So what is driving this rush to Downtown West and who is leading the charge?

Mainly young singles and couples although people in their 40s, 50s and 60s are starting to show up regularly at presentation centres, says Peter Freed of Freed Developments. Mr. Freed can justify laying claim to the crown in Downtown West.

Since 2004 he has developed nine projects in the area totalling 1600 suites. His most recent is Thompson Residences, launched last month.

What drew him to the area? Two major factors, he says. The first was a decision by former Toronto mayor Barbara Hall to designate the area for redevelopment into mixed-use neighbourhoods – away with those factories and in with new communities, which encouraged the creation of local retail, commercial and residential uses. They would also include a mix of new construction and renovation of existing properties into brick-and-beam lofts and office space.

The second was simply cost of land. Those unused industrial sites for a heck of a lot less than land in the core. "The market worked out," said Mr. Freed.

"It made enormous sense create new neighbourhood west of the downtown core," he adds. "In many ways it really is a return to what happened there almost a century ago. When the factories went up housing sprung up around them so people who worked there could walk to work, walk to school and walk to entertainment recreation spots."

And that, of course, is the appeal of Downtown West far enough from the core for a terrific neighbourhood including shops and some of the best bars and restaurants in the city, but close enough you can walk to work or public transit.

When development started there was also an overriding factor: Condos were cheaper than those in the core.

That, however, seems to be changing. While Mr. Freed says you can still find suites for \$450 a square foot, RealNet says the average price has risen to \$622 by the end of the year, which makes Downtown West the fifth most expensive of the 20 GTA areas that company tracks.

Mr. Freed points out it's cheaper to buy in Downtown West than Bloor-Yorkville (\$967), the Downtown core (\$900), Yonge and St. Clair (\$666) or the Central West front (\$631).

His own view is that there are still great opportunities in the area; he is looking at more right now.

"Most of the projects are smaller and more intimate," he says. "It is a chance to get close to the heart of the city without having to buy a piece in a 60-storey high rises shadowed by a busy street."