

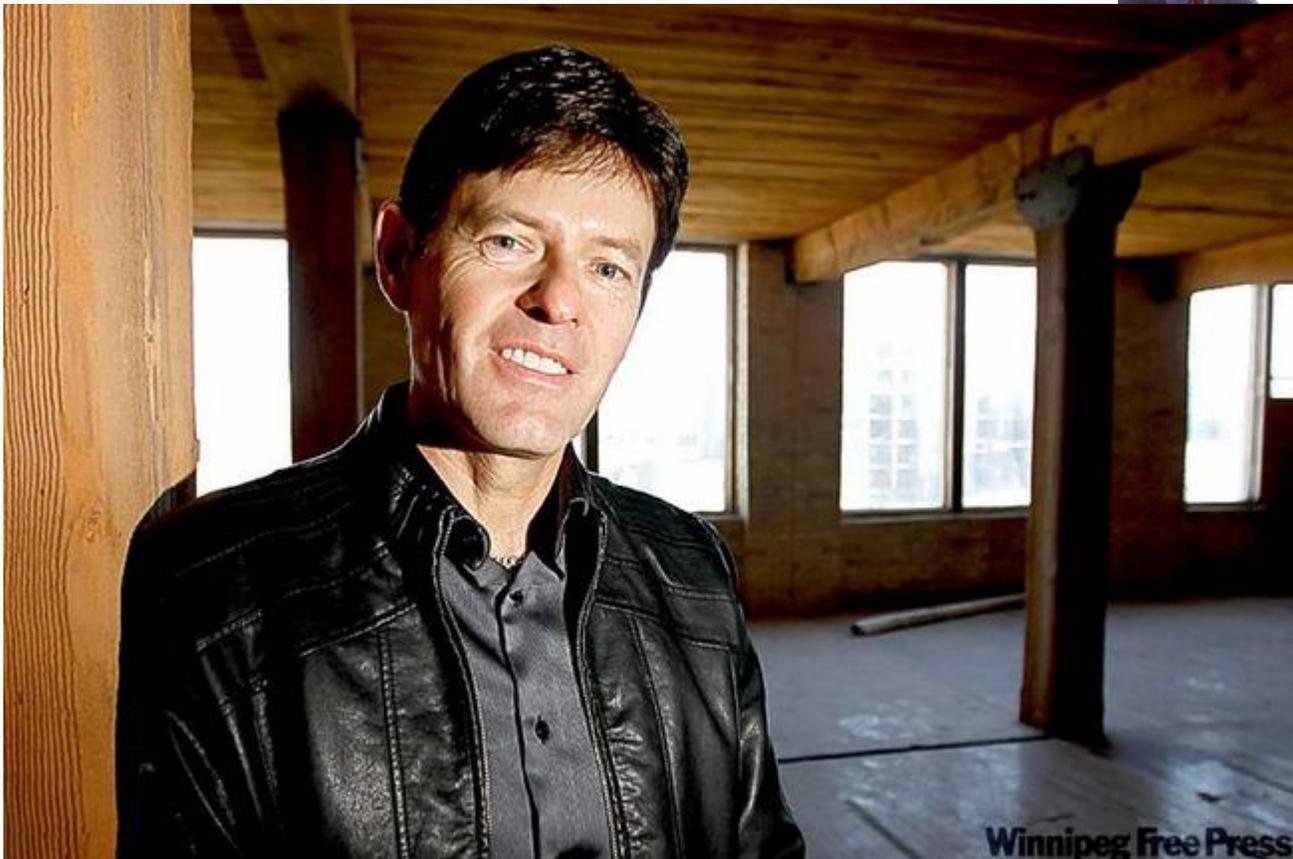
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## Downtown condos gaining steam

### One project soon underway, while another awaits grant approval

By: Murray McNeill

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TREVOR HAGAN / WINNIPEG FREE PRESS [Enlarge Image](#)

*Kurtis Sawatzky in James Avenue warehouse being converted into condominiums.*

One condominium developer is in the starting gate and another is pacing on the sidelines as the downtown revitalization effort picks up steam.

James Avenue Holdings Ltd. will begin work next month on the first phase of a two-part redevelopment project on James Avenue that will add up to 70 new condos to the East Exchange District over the next four years.



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*Qualico's 27-unit project at 110 James Ave. involves adding two storeys to the four-storey heritage building. (ARTIST'S RENDERING)*

And another local developer -- Exchange District Management -- is champing at the bit to redevelop a vacant, six-storey heritage building at McDermot Avenue and Rorie Street into a mixed-used complex with 30 to 40 condos on the top five floors and commercial/retail space on the main level.

All it needs is for the city and province to extend their wildly popular residential tax-incentive program and approve its grant application.

"Everything is hanging on that (the tax incentive)," said Bill Thiessen, the local RE/MAX agent who will be marketing the condos on behalf of Exchange. "With it, it's a go, without it, it's not. We should know by May."

The James and McDermot Avenue projects are the latest in a string of downtown condo and apartment developments either underway or in the works.

The ones approved for funding under the first round of incentives, which offered up \$20 million in grants, will add about 670 new condo units and 130 new apartments to the downtown.

Those projects include the condo redevelopment project at 100 Princess St., the Avenue Building apartment project on Portage Avenue, the seven-building Qualico/StreetSide condo project on James and Market avenues and the second phase of the Sky Waterfront condo development on Waterfront Drive.

The head of CentreVenture Development Corp. -- the downtown development agency that oversees the tax-incentive program -- said recently the city and province seem willing to extend the grant program. But nothing has been finalized, Ross McGowan said.

Thiessen was reluctant to say too much about the redevelopment of the Porter Building at 165 McDermot until they know for sure it's a go. But he did say the condos will be "affordable" units targeted at younger buyers.

"It will have fantastic choices for under \$200,000. This is not going to be executive living."

The first phase of the James Avenue project is also aimed at younger buyers. The 10 one-bedroom condos will be priced in the \$240,000 to \$260,000 range, said James Avenue Holdings president Kurtis Sawatzky.

Phase 1 will see the top two floors and half of the basement level in the three-storey, 20,000-square-foot Ingaldson Building at 128 James converted to condos. The main floor and the other half of the basement will be office space for two companies Sawatzky owns -- James Avenue Holdings and KNH Sawatzky & Associates -- and an affiliated firm, Northern Sky Architecture Inc.

Sawatzky said Phase 1 should be finished in about eight months.

The second phase, which will begin within the next two years, involves adding another two to five floors onto the Ingaldson Building and demolishing a one-storey warehouse next door at 120 James and erecting an eight-storey condo complex in its place.

Sawatzky said the Ingaldson addition will feature four condos per floor, for a total of 20 if five more floors are added. He said Qualico's StreetSide Development Corp. owns the three-storey warehouse next to 128 James and is also converting it to condos. It also will be adding more floors and, because they share a common wall, they'll both add the same number of floors.

"We want to make sure that whatever we do... we both agree to it."

He said the new building at 120 James will have about 40 condos. The size and price range haven't been determined and some could even end up as rental units.

"We don't know what the market will be four years from now. We'll see where the demand is and what the market dictates."

CentreVenture's McGowan said he's not worried there will be an oversupply of downtown condos if all of the projects proceed.

"It (the demand for downtown condos) seems to be quite strong right now. We're hearing that from the developers themselves. They're getting a good response."

Know of any newsworthy or interesting trends or developments in the local office, retail, or industrial real estate sectors? Let real estate reporter Murray McNeill know at the email address below, or at 697-7254.

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#### Exchange of condominiums

THE first wave of condominiums in the much-ballyhooed Qualico/StreetSide East Exchange District project should be ready for occupancy by early next year.

Marty Maykut, manager of Qualico's StreetSide Development Corp., said although work on the first two redevelopment projects has been underway since last fall, it won't get into full gear until later this spring.

StreetSide announced last year it will be converting seven heritage buildings on Market and James avenues into condominiums over the next five years. The ambitious undertaking is expected to cost \$40 million to \$50 million and will add 250 to 280 new residential units to the East Exchange.

The company originally said the first batch of condos might be ready for occupancy by either this fall or early next year.

Maykut said although the 27-unit project at 110 James Ave. is furthest along, it involves adding two more floors to the four-storey building, while the 15-unit project at 133 Market Ave. does not. So both should be ready for occupancy at about the same time.

He said StreetSide will begin marketing the James Avenue units within the next few weeks and will have a display suite ready by late spring or early summer. After that, it will begin adding the two extra floors.

Both buildings will feature mainly one- and two-bedroom units and most will be priced at \$200,000 to \$300,000.

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