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## Oxford unveils 35-storey tower for Vancouver core

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REAL ESTATE REPORTER

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Proposed Vancouver office tower. (Handout)



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Oxford Properties Group Inc. is building a big tower for small tenants in downtown Vancouver, the tightest market for office space in the country.

The development of large buildings typically proceeds once a lead tenant is secured, but Oxford is building the 35-storey tower with smaller floor plates to attract the smaller businesses that dominate Vancouver's business community.

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The 270,000-square-foot tower at 1021 West Hastings St. puts Oxford ahead of several other developers who have spoken about building new space in the downtown core, but are waiting for a lead tenant before starting construction.

"The building will certainly fill a fascinating niche in this city, but it takes a great deal of intestinal fortitude to go ahead like this without tenants lined up," said Bill Elliot, a principal at brokerage company [Avison Young](#).

The project will cost about \$150-million. The tower will be built on the current site of the University and Quadra clubs, although Oxford said it will preserve the building's façade in a

nod to its historic significance.

Downtown Vancouver has the lowest vacancy rate in the country at 4.3 per cent, although the city's suburban regions remains elevated at a more troubling 13.4 per cent, according to CB Richard Ellis.

While the vacancy rate remains stubbornly high in the suburbs, there has been a rush of action in downtown Vancouver this summer. Telus Corp. is in the midst of securing final approval from the city for a \$750-million, 22-storey headquarters; and real estate advisory company Bentall Kennedy (Canada) LP has proposed a 365,000-square-foot building on Thurlow Street.

Meanwhile, the College of Physicians and Surgeons of British Columbia bought seven floors in the Offices at Hotel Georgia, part of the \$450-million redevelopment of the 84-year-old Hotel Georgia that includes both office space and condos. That \$30-million deal is the largest ever struck in the city for office space for a single user. The college plans to move its 90 employees into the space by year's end.

Oxford chief executive officer Blake Hutcheson said the Toronto-based company (which is the real estate arm of the Ontario Municipal Employees Retirement System) has been considering building on the Hastings site for several years but was waiting to get "the right product, the right design and right opportunity."

"There are a lot of projects being discussed and some may be held back as others are announced," he said. "But we're very specifically focused on this and the floor plates will be ideal for smaller firms. So if you're a major law firm, this probably doesn't work for you. But smaller service companies who need to be in and around downtown are a perfect fit."

The Oxford tower will be built with a focus on sustainability, including energy-saving triple-paned glass panels and a special heating and ventilation system called ventilated refrigerant flow system. The system, popular in Japan but not in wide use in North America, does not use ducts and allows for separate climate controls for different parts of a building.

Construction will begin this year, and is scheduled to finish in the summer of 2014. The tower was designed by architects Kohn Pedersen Fox, and Canada Pension Plan Investment Board is a co-investor.

Oxford's other buildings in Vancouver include the Guinness Tower, Marine Building and Oceanic Plaza. The company oversees and manages about \$17-billion of real estate.

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