

Regina firms look east for investments

BY WILL CHABUN, THE LEADER-POST MAY 1, 2014 7:29 AM

Regina firms are making a sudden splash in real estate in Manitoba's capital.

In a major project announced this week, Regina-based Forster Projects and Harvard Developments said they're teaming up with Ivanhoe Cambridge from Montreal to develop a 385,000-square foot enclosed outlet fashion mall in southwest Winnipeg.

The Outlet Collection at Winnipeg will have about 90 retailers and expects to draw on consumers from neighbouring states and provinces, including Saskatchewan. Blair Forster, Harvard's vice-president of development and also president of Forster Projects, told the Winnipeg Free Press the roster will include premium fashion outlet stores found in other malls in Canada and the U. S.

The Free Press added the mall will cost \$ 200 million and will be part of an even larger development that eventually will include a hotel, grocery store, standalone retail stores, apartments and condos.

Forster said the 40-acre outlet site is part of a 117-acre property Harvard acquired several years ago.

While the retail project at the core is built, some land on its periphery will be sold for residential and commercial development. "The balance of the land will be used for a grocery store and a big box campus - the kinda stuff you see down Gordon Road at our Grasslands project is basically going to be the feel of the residual land," Forster told the Leader-Post Wednesday.

Forster, incidentally, doesn't agree with the theories that the day of the enclosed shopping mall is over.

Yes, there has been a "flight to value" as some retailers grow bigger and resent having to pay common-area charges in malls.

But across the country, the dominant "super-regional" malls - like Regina's Cornwall Centre plus Midtown Centre in Saskatoon - will always be in demand and profitable, he said.

Though outlet malls are a little different in market focus, "given the choice, in a cold-weather climate, between open-weather and closed, the retailer will take enclosed just for the comfort of their customers," he said.

Harvard also announced this week that it and partner Greystone Managed Investments had teamed up to buy a landmark Winnipeg office building called 201 Portage from its current owner, Asper Tower Inc. Its shareholders are David, Gail and Leonard Asper, children of highprofile businessman and politician Izzy Asper, who died in 2003. The purchase price was not released.

The 33-storey office tower, regarded as a Winnipeg landmark, has 510,000 square feet of Grade A

office space and blue-chip tenants like RBC Dominion Securities, accounting giant MNP and a major law firm. It is Winnipeg's tallest building.

Regina-based Greystone grew out of the investment services arm of Saskatchewan's old Department of Finance, which managed pension assets for the civil service. Privatized in 1988 as the Investment Corporation of Saskatchewan, it manages \$ 30 billion in client assets and is majorityowned by its employees.

Harvard Developments Inc. is a division of the Regina-based Hill Companies.

It manages or owns more than five million square feet of commercial real estate with another three million square feet under development.

wchabun@leaderpost. com

© Copyright (c) The Regina Leader-Post