

Freebies galore may lure buyers, but not all builders are sold

Would you like a car with that condo, sir?

How about a new car? A motor scooter? Ten thousand dollars worth of shopping? A trip to Tuscany? What about \$15,000 off the purchase price and one-year's free maintenance?

They're "free" — if you buy a condo, and are included on lists of sales incentives compiled by N. Barry Lyon Consultants Ltd. and Diamante Development Corp.

There are many variations on a familiar theme of upgraded kitchen materials and appliances and flooring, but also other giveaways, such as:

- A free car — Atlantis, Water Park City (Bathurst and Fleet streets).

- A motor scooter — Citygate, Phase 2 (Burnhamthorpe Road and Duke of York Boulevard).

- \$10,000 shopping spree — Essence (Dundas Street West and Earlington Avenue).

- Trip to Tuscany — Tuscany Gates (Eglinton Avenue and Highway 10).

- \$15,000 off — No. 1 City Centre (Huron Street and Elm Drive).

- A trip to California or \$5,000 cash back — Bellair Gardens (Don Valley Parkway and York Mills).

- Two years free maintenance — Domain (Mount Pleasant Road and Merton Street).

- 18 months of free maintenance or \$5,000 cash back or \$10,000 in

upgrades — Malibu (Bathurst and Fleet).

- Scratch and win \$5,000 and \$7,000 prizes, or \$10,000 in upgrades — Murano (Bay and College streets).

Condo salesman Brad Lamb considers the incentives "gimmicks" that detract from the image of a project, although he thinks Context Development Inc.'s "loyalty card" incentive is tasteful. It offers buyers modest discounts on home furnishings, services and restaurants.

There's nothing new about free upgrades, Mr. Lamb says. "You haven't been able to deliver a condominium, generally speaking,



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With thousands of condos chasing buyers, incentives are everywhere.

over the past two years in the core of the city, that doesn't have a fully loaded set of finishes, like stainless-steel appliances, granite countertops, hardwood floors and better kitchen cabinetry. Consumers demand that."

Although he dislikes the incen-

tives, Mr. Lamb has to go along. He offered buyers at the recently launched Garment Factory Lofts \$5,000 worth of high-end Nienkamper furniture the first weekend of sales.

Buyers aren't getting something for nothing, he adds. Developers

often absorb some of the cost of incentives by finding ways to save money during construction.

Potential buyers will naturally gravitate to the better projects, Mr. Lamb says.

"These silly trips and cars and furniture packages are a cavalcade of gimmicks, which have nothing to do with real estate. Consumers will see through that and wonder why [developers are] doing it."

The partners at Diamante Development don't like incentives on principle. Gina Di Lorenzo, in charge of the company's marketing, says her sister, Julie, and Paolo Palamara, the firm's two principals, were opposed to any freebies at their One City Hall condo project at Bay and Dundas streets. But Gina prevailed.

Last month, she offered \$2,500 toward text books at Ryerson University, the University of Toronto, George Brown College, York University or the Ontario College of Art and Design to buyers at One City Hall.

Does it work? "Yes," she says, "it makes a difference in sales."

Albert Warson