

Tiny in number, huge in demand

Although lofts make up a small percentage of all condo sales in Toronto, they do represent a growing segment of the real estate market, says loft specialist Edwin Brdlik of Toronto Lofts Realty Corp.

According to data from the Toronto Real Estate Board, Brdlik says loft sales are up 41 per cent this year, compared to the same period last year. The average price has also risen, by 14 per cent, with the average price for a loft now at \$281,000.

Lofts make up 2.8 per cent of all condos sold in Toronto, compared to 2.2 per cent last year.

"These numbers may seem small, but there are still 100 loft projects out there and the number is growing," Brdlik says.

Last year, the lowest-priced loft in the city sold for \$92,500 on Noble St. So far this year, Brdlik says the lowest price has been \$125,000.

These figures do not differentiate between hard lofts (conversion projects) and soft lofts (new projects), but Brdlik says that since there are only so many buildings suitable for conversion and because they can't be duplicated, hard lofts usually cost more to build and buy. But he says they are better investments.

Brad Lamb, president and broker with Brad J. Lamb Realty is not immune to the cachet of church conversions. He was the first to buy a suite in The Glebe, a church conversion in Riverdale.

"I bought not to move in but because I thought it was a cool building and the price when I bought was very good," says Lamb, who paid \$149,000 for his 900-square-foot suite which was expanded to 1,300 square feet for a final price of about \$190,000. Lamb estimates it's worth double that today and the units aren't even ready for occupancy.

Another church conversion Lamb points to as being quite unique is St. George on Sheldrake, a 34 unit conversion of a 1924 church in Lawrence Park. Only two of the units, which started at \$800,000 and went to \$1.25 million, have yet to sell. Given their original price, the properties haven't gone up a great deal since sales opened 18 months ago.

Developer Bob Mitchell recalls the early 1980s, when he was trying to sell units at 41 Shanly St. — Toronto's first legal loft conversion, where he transformed an obsolete felt factory into 10 units.

"If you go back to Shanly St., we were selling them for \$50,000 (1981-82). Now they're going for \$250,000 plus," Mitchell says, using this as an example to illustrate how prices have increased.

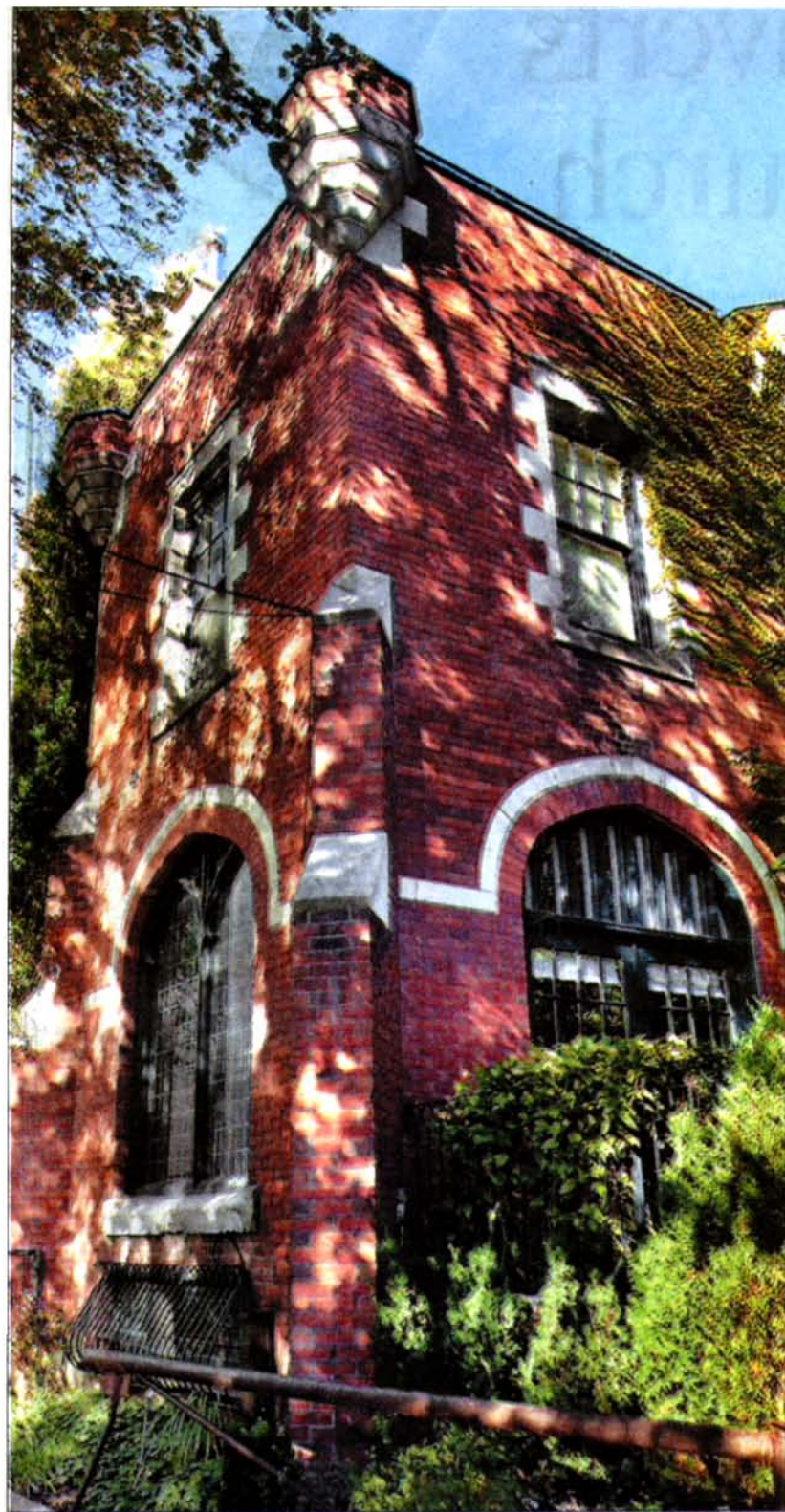
"Over the long term and the short term, lofts have been extremely good investments."

Realtor Sean Routbard, of Re/Max Condos Plus, reports a softening in the condo resale market, "except for good product such as hard lofts, which seem to be holding their own."

Most sellers are looking for a premium on their units, compared to previous sales, but they're not getting it, he explains. "The buyers are sitting and waiting."

But "a real loft building can command that little extra without being laughed at."

— Jennifer Morrison



RICK EGLINTON/TORONTO STAR

HALLOWED HOMES: At Hepbourne Hall, developer Bob Mitchell turned the former church meeting rooms and a manse into 20 condo units. The main building still operates as a church.