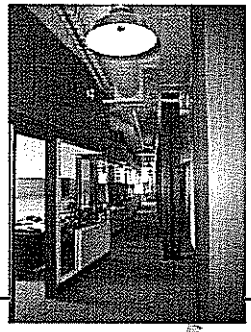
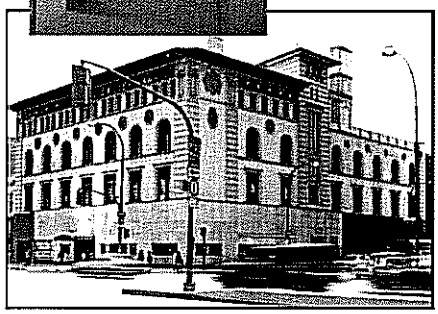
VIBRANT COMMUNITY EMERGES



NYGARD Fashion World
Peter Nygard restored his Market Avenue store to its original historic beauty





Birks Building and Sample Retrofit Interior

Upping the Ante

with Savvy Downtown Investors

Bob Shaer is a glass-half-full kind of guy. The president of ASH Management Group takes great pleasure in the spate of new development in downtown Winnipeg and boldly predicts that, within 10 years, investors will step forward to purchase and retrofit the remaining, vacant heritage buildings and Portage Avenue properties.

Shaer's company is managing the $5.5 million interior retrofit of The Birks Building, originally designed and built as Western Canada's first YMCA in 1900. Little more than a decade later, the four-storey building was purchased by the Birks family.

The Portage Avenue landmark, virtually empty since 2000, will be fully occupied by the Manitoba Property Registry and its 150 staff by the fall of this year (2006).

ASH Management Group oversaw the transformation of five Princess Street heritage buildings into Red River College's downtown campus, now home to some 2,000 students and staff. CentreVenture was the facilitator among those lobbying to locate the campus on the Exchange District site, emphasizing the impact the flood of people would have on the economic and social revitalization of the area.

5000 More People Downtown

Shaer estimates that once Manitoba Hydro's new headquarters open on Portage Avenue, there will be 5000 more people downtown than there were a few years ago. That influx equals opportunity for ancillary businesses.

Assisted by CentreVenture, the private sector stepped in to rejuvenate some 26 heritage buildings in the Exchange District. That, combined with the sale of some 30 city-owned downtown properties, sparking development worth an expected $110 million, speaks to the private sector's confidence in downtown property investments.

$850 Million Invested

"There's been increasing, continual momentum, excitement and consideration of downtown from business owners and residents who want to be downtown, which wasn't there a decade ago, and investors and developers are responding," says Chuck Loewen, chair of the CentreVenture board. Over the last few years, $850 million has been invested or earmarked for some 140 commercial, residential and recreational projects downtown.

"The deals we were doing were to get investors of almost any kind and now we're seeing big players come in, and small- and middle-sized players putting together meaningful deals," adds Loewen. Both Loewen and Shaer emphasize that the transformation is the result of public and private sectors

Need some commercial real estate financing? Here's a word you'll be sold on:

APPROVED

At Canadian Western Bank, we speak your language. Our experienced lending team provides you with the service and specific expertise you deserve. You'll receive prompt turn around times and peace of mind knowing decisions affecting your business are made at a local level. It's time to do business the Western Way. Call the experienced lenders at Western Canada's Business Bank® today.

Winnipeg Branch
230 Portage Avenue
Phone: (204) 956-4669

CANADIAN WESTERN BANK
Think Western®

working together to spur downtown development and the promise of a suitable return on investment dollars.

One of the many high-profile investors now contributing to downtown's rebirth is Peter Nygård, who is well on the way to turning his vision for an entire city block in the East Exchange into reality.



NYGARD Village Concept Embraced by Consumers

The 10,000-square-foot NYGARD Fashion World @ NYGARD Village, located in the former Athlete's Wear location at the corner of Market and Lily, opened in April, 2005. The all-inclusive concept, offering all NYGARD lines under one roof as well as other top designer brands at sale prices, has been embraced by consumers, especially the downtown business crowd.

Ultimately, all the buildings will be interconnected, having undergone a $70 to $80 million restoration and transformation into NYGARD Villlage with condominiums and commercial enterprises having what Nygård describes as "the whole New York feel."

"The vision of the NYGARD Village project is to integrate and connect NYGARD Village with Waterfront Drive and continue right through to The Forks to complete an exciting renewal of the Winnipeg Exchange District for residents, shoppers and visitors. It's a wonderful opportunity to contribute to what's going on in downtown Winnipeg," adds Nygård, who started his business in the Exchange District in the late 1960s.

According to CentreVenture, on Waterfront Drive alone, the private sector is investing $57 million in residential-commercial developments featuring some 205 condominiums and 35,000 square feet of commercial space.

New Investment to Top $120 Million

In total, new development investment in the Waterfront District is expected to soon surpass $120 million.

The Excelsior, on Waterfront Drive, will welcome residents this summer. The $17.5 million project offers 11,000 sq. ft. of commercial space. By February 2006, developer Fausto Pereira had begun negotiations to lease commercial space; sold most of the condominiums in the first tower and many in the second tower to be completed in April, 2007.

"Within two years, people will not recognize the place," predicts Pereira, president of Sherwood Developments Ltd. "It will be a vibrant, exciting place to live, unlike any other in Winnipeg."

As of February, the majority of the eight residential units and 4,000 square feet of commercial space in neighbouring Ship Street Village had been spoken for, according to project manager McGowan Russell Architects.

Residents will begin moving into The Strand's 15 units this year. The 7500 sq. ft. second-floor offices will be home to the project's developer, Friesen Tokar Architects, and the main floor features another 1,500 sq. ft. of commercial space. A plaza, shared with The Excelsior, will be available for patrons.

Sky Waterfront, the largest Waterfront Drive development at $29.5 million, will begin construction mid-2006. The Streetside-Sunstone project includes 135 residential units and 11,000 sq. ft. of commercial space. The first two phases will be completed in late 2007.

Loewen suggests, "What's needed downtown is the one-two punch... residential and commercial. What we've seen along Princess and other areas in the Exchange and on Waterfront Drive is the re-embracing of downtown."

State-of-the-art in a Beautiful Heritage Envelope

Shaer says investors "with gamblers' blood in their veins" must buy heritage buildings, market them and, then, land a tenant. That is how The Birks Building redevelopment unfolded and ultimately became a blue chip investment.

The Birks project includes an overhaul of mechanical, electrical and plumbing systems, allowing all 37,500 sq. ft. to be utilized while preserving the marble staircase and 20-foot ceilings in the entrance and lobby. As stated on The Birks Building website, "the approach to the retrofit is to make it into a state-of-the-art, commercial property encased in a beautiful heritage envelope."

Edited from an article by Laurie Nealin

FOR MORE INFORMATION
about development opportunities in downtown Winnipeg, contact CentreVenture Development at 204-954-7733 or on the web at www.centreventure.com

STEVENSON
REAL ESTATE GROUP

CUSHMAN & WAKEFIELD LEPAGE

Commercial Sales/Leasing
Appraisal & Consulting
Property Tax Consulting

STEVENSON
MANAGEMENT SERVICES
Property Management
Facilities Management
Construction Supervision

Call (204) 956-1901
or Fax (204) 957-7976

www.stevenson.mb.ca