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LOCAL

Calgarians buy into condo hotel

By Steve MacNaull

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Calvin Buss of Calgary liked the Westin condominium hotel in Kelowna so much he bought four suites in the 20-storey tower on Saturday for \$3.6 million.

"Kelowna is a winner. Westin is a winner," said Buss at the Westin's one-day sales event on site at the corner of Water Street and Sunset Drive downtown.

"This is an excellent investment. I'll break even by putting the suites in the pool to be rented out as hotel rooms, but the real money comes with the appreciation. This property will only go up in price because Calgarians are just loaded with money and Kelowna is where they want to come and play for the weather, wine, fruit, golf and fresh water that they can swim in."

Saturday's one-day sale was a culmination of four months of marketing by Westin Kelowna.

More than 250 people from around the world registered to have appointments Saturday to pick the suite or suites they wanted to buy in the \$150-million, 227-unit building.

"Most of the people are represented here by power of attorney, so we've spoken to them, but the appointment is actually only being done with the paperwork they've had faxed in," explains George Wong of Platinum Project Marketing.

"We'll cut sales off when 80 per cent of the suites are gone, and then save the rest for the public down the road."

The Westin has attracted a lot of attention in Kelowna, not just because it's a luxury 20-storey building in a city with few highrises, but because it's a world-recognized upscale hotel brand and it is the most expensive real estate ever sold in the Okanagan.

The suites come in at a pricey \$1,000 per square foot, beating the previous most costly of about \$950 a square foot at the nearby Royal Private Residences attached to The Grand hotel.

For instance, the least expensive Westin suite is a fourth-floor, 409-square-foot studio facing east (which means no lake view) for \$336,900.

A one-bedroom suite on the 10th floor measuring 760 square feet with northern exposure and mountain and lake views comes in at a cool \$736,900.

And the master penthouse on the top floor features 1,759 square feet, two bedrooms and commanding views of Okanagan Lake for an astounding \$2.3 million.

"These suites are worth it because they are part of the prestigious Westin chain that has a proven international reservation system with a loyal following," said Wong.

"Buyers can use their suite part-time and then put their suite in the rental pool when they aren't, so it can operate as a hotel.

Plus, Kelowna is one of the most desirable locations in Canada."

Wong said while \$1,000 a square foot is groundbreaking for Kelowna, he's working with the developer of a Fairmont hotel and condo tower in downtown Vancouver where the units will go for \$2,000 a square foot.

Calgarians are flush mainly with oil and gas cash.

However, Buss is working with the other source of wealth — real estate.

He's president of Millennium Realty, which designs and markets condominium projects in Calgary.

He has nothing to do professionally with Westin Kelowna, but his background in real estate means he knows a good thing when he sees it.

"I'm buying four suites at \$900,000 each on the 13th, 14th and 16th floors," he pointed out.

Buss hopes his Westin investment turns out to be as lucrative as his stake in Summerland Waterfront Resort, which is being developed by Stanley Yashin, who is also the Westin developer.

Buss bought two units in the resort under construction for \$1.5 million with a \$300,000 deposit.

Those two units are already worth \$2.2 million and when the resort opens next summer he expects his investment will be worth \$2.6 million, an almost 300 per cent return in two years on his original downpayment of \$300,000.

Construction is expected to start on the Westin Kelowna early next year for spring 2009 completion.

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