

Townline looks to buy Victoria development

Radius project has had troubled history

Andrew A. Duffy

Vancouver Sun; Canwest News Service

Thursday, August 21, 2008

VICTORIA -- The \$160-million Radius development in downtown Victoria could be in new hands by the end of September, according to the man behind the original multi-use project.

John Schucht, president of Waywell Development, said the mixed residential and commercial project slated for Blanshard and Herald streets is now under contract to the Townline Group.

"That means it's sold, though there are obviously some conditions they are working on," said Schucht, noting there is a target date of late September to close the deal. "But it does mean we aren't working with anybody else."

There had been rumours Waywell had been in negotiations with investors in Toronto to put together a partnership that would see through the original Radius project.

Now the Radius site -- still just a hole in the ground -- appears to be in the hands of Vancouver-based Townline and its principal Rick Ilich.

Townline is currently working on the \$300-million project to renovate the historic Hudson's Bay building and create a residential complex, the Hudson, across the street from the Radius.

"We are well into the midst of doing our due diligence on [the Radius] with the idea of purchasing that property," confirmed Bob Pearce, Townline's director of residential development, though he was quick to note they have not concluded a deal.

"I can tell you we've been working at it for several weeks now, it's not an uncomplicated deal because of its history and [the fact it] has been sitting there.

For Schucht, a sale will end what had been a vision to create something special in the downtown area.

"Obviously it's disappointing but that's the way things go when the financing changes on you," said Schucht, referring to the increased difficulty in getting

credit over the last year.

Pearce said those who bought into the Radius -- 50 per cent of the residential component had been sold -- should have had their money back as the original developer was unable to fulfill some of the obligations in the purchase agreement.

As for the leased commercial space -- again about 50 per cent of it had been leased -- Pearce said they may have to start from scratch.

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