

Wesbrook Village a growing success story

By Malcolm Parry, Vancouver Sun September 12, 2013

POINT GREY'S ANATOMY: It's close to a halfcentury since 17-year UBC Properties Trust president Al Poettcker earned an economics degree on the Point Grey campus. He's still busy there. That was especially so last week when Adera Capital opened its ninth project - the \$75-million, 175-unit Sail - in Wesbrook Village. That's the 15-hectare site the trust has developed so far to the tune of \$800 million. Adera's 700,000-square-foot component will increase next year with a project somewhat larger than Sail's two six-floor buildings.

Meanwhile, Bob Rennie will soon start selling Wall Financial Corp's first Wesbrook Village project, the \$100-millionplus, 217-suite Binning Tower. Outfits like Aspec, Concert, Keystone, Polygon and others have also completed projects on the tree-ringed site, where concrete-building units fetch \$1,000 a square foot, and \$725 for wood-frame structures.

Developers were less keen in 1985. That's when Prospero International Realty Inc. founder-chair Bob Lee convinced his alma mater's governors to offer 99-year leases on a potential 200 hectares of UBC's endowment lands. To sparkplug the plan, Lee had Hong Kong construction mogul George Tso, bid on the 947-unit Hampton Place development. The \$250-a-square-foot buyers paid caught local developers' interest, and eventually realized \$81 million for the varsity-owned UBC Real Estate Corp. that Lee chaired. Ottawa's 1997 tax-rule changes saw that entity become the private UBC Properties Trust, with the university as its non-taxable beneficiary. The transition was eased by Randy Zien having become an independent director in 1994. "We benefited from him as one of Canada's top tax lawyers," Poettcker said. "He has so much practical knowledge, he naturally enough replaced Bob (Lee) when he retired in 2011.

It was Lee who recruited Poettcker. In development for all of his career, Poettcker was with Daon firm in the early 1980s when its late founder, Jack Poole, got the somewhat reluctant Lee to sell limited partnerships in \$300-million-worth of Alberta projects. "Bob sold \$40 million in three or four week," Poettcker recalled. As for their mutual future: "When you ask Bob for anything, he always says, 'Yes. I'll help.' But eventually he calls and says, 'I need you.'" That was to head what is now UBC Properties Trust. Lee had promised UBC governors he'd never ask for money. So Poettcker scored a \$5-million

loan from RBC - he'd earlier bought distressed Royal Bank assets as president of Barbican Properties Inc. - and quickly repaid it with income from George Tso's deal.

Today, the trust's 25 staff - half of them accountants and property managers, the others in property-development and marketing - oversee some \$250 million annually. "So we're a fairly large builder in the province," Poettcker said. One, moreover, with the added mandate of "creating an intergenerational endowment for the university while building a community. Doing one without the other would have been considered a failure."

With residents celebrating the Wesbrook Village Festival last weekend and Lee updating UBC Properties Trust's potential from \$1 billion to \$2 billion, the endeavour appears to have been a success.