

Globe Real Estate

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Can 2003 home sales keep pace?

Interest rate uncertainty hangs over
the housing industry, says **ALLAN WOODS**

On the heels of a record year for real estate, prospective home buyers Tania Obljubek and Michael Thomas are facing a daunting task as they wade into the Toronto market for the first time.

Mr. Thomas, a 28-year-old information-technology consultant at Bell Canada, is optimistic but a real-estate rookie who, in the past few weeks, has undergone a trial by fire in one of the country's hottest housing markets.

Luckily, Ms. Obljubek, a 32-year-old physiotherapist at Women's College Hospital, is a shrewd, calculating shopper who's been contemplating the step they're about to take for almost six years.

Despite the couple's eagerness, good incomes and balance in outlooks between the conservative

(her) and the risk-taker (him), they realize there's one thing they'll never know when it comes to real estate: what's around the corner.

When they began saving for a down payment on a home, they found prices were increasing at a faster rate than their bank account. Now that they're actually looking at houses, they feel a nagging uncertainty each time they pass up an offer.

"We're still waiting for that perfect house to come along," Mr. Thomas says. "But we don't know what's going to be available next week."

Coming out of 2002 — a banner year for real estate in the region — analysts believe a slowdown in the market driven by an anticipated interest-rate increase is inevitable.

"We're coming off a really exceptional year and I think 'exceptional' should be meant literally," says Will Dunning, an economist and housing-market analyst. "It's one of a kind."

Last year, a record of more than 74,000 existing homes were sold in the Greater Toronto Area for an average price of more than \$275,000, according to the Canadian Real Estate Association.

Canada Mortgage and Housing Corp. says that there were 54,792 new-home sales in 2002, compared with 41,362 in 2001. And mortgage rates kept declining, to their current level — a four-decade low.

Midtown, forest view



Mahogany-framed pivoting windows open on expansive views of Forest Hill's Beltline at the Pamensky residence, winner of the 2002 Ontario Architects Association award. "We should be trying to release people from the orthodoxy and dogma of traditional architecture," says architect Julian Jacobs. Story page G10.



1860 gem emerges from neglect

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Lotto win won't buy keys to top-end condos

BY TERRENCE BELFORD

Anyone who dreams of winning Lotto 6/49 and buying a penthouse in the heart of downtown Toronto can forget it. The \$2-million prize would not begin to cover the cost.

Penthouse condominiums in the Yorkville district, for example, are commanding double, triple or even five times that amount. In fact, Elise Kalles, vice-president of Harvey Kalles Real Estate Ltd., now holds the record for selling the city's most expensive penthouse. She got an unnamed seller \$7.2-million for a 4,400-square foot unit at 22 St. Thomas St. — the Windsor Arms — last year.

It was not even on the top floor but rather one below the true penthouse. Nor is it the most expensive unit in the building, she said. "There are at least two at the Windsor Arms, which I would value at \$10-million. Neither is for sale though," she added.

Ms. Kalles's specialty is finding top-drawer digs for the very rich. In mid-December, she sold the 5,000-square-foot south-facing, two-level penthouse at 10 Bellair St., at the corner of Bloor Street, for \$5.2-million. Tridel Corp., developer of the building, sold the smaller north-facing penthouse on the same floor for \$4.2-million through its Delray Real Estate subsidiary. In October, she sold a 3,800-square-foot unit at 22 St. Thomas St. for \$2.8-million.

The Yorkville area is now officially Toronto's hottest area for a condo address among the very rich, Ms. Kalles said.

The problem is finding enough product to meet the demand, she said.

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Toronto outlook

Resale volume

2002 — 74,759
2003 forecast — 65,500-70,900

Average resale price

2002 — \$275,880
2003 forecast — \$290,500-\$294,700

New home sales

2002 — 36,741
2003 forecast — 24,000-31,300

New condo sales

2002 — 18,051
2003 forecast — 12,500-16,100

SOURCE: WILL DUNNING INC.

THE GLOBE AND MAIL

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Finding the forest in Forest Hill

Pamenski home turns its back on the street to embrace the trees

BY DEREK RAYMAKER, TORONTO

Those with the money to test the boundaries of modern architecture and home design are also the least likely to actually try.

That's one of the least profound observations to be made after a recent stroll through Forest Hill. The more sprawling the residence, the more likely it is to stand out only as a predictable display of wealth over character, an overstated Victorian-era reminder to all who gawk outside the iron gates they don't belong. You begin to fear that if you loiter too long, the master of the house may soon give the order to release the hounds.

In the northern reaches of Forest Hill, on a perch overlooking the lush Beltline ravine, you'll wander past a wood garage guarding a slim brick and slate terrace leading to a welcoming but not overpowering entrance. No gate, no lawn, no towering hedges, no arched

portico, no rotunda. Hardly a display of wealth; more like a well-kept back alley. The only thing missing is the basketball hoop.

But on the other side of the home of Victor and Naomi Pamenski, set well back from the traffic, is a wall of rotating glass bringing a breathtaking landscape of verdant greenery and inescapable peace into the living and dining rooms. The only intrusion on nature in the Pamenski's ravine landscape is a subdued brick terrace set off to the right.

The Pamenskys immigrated to Canada in 1975 from South Africa, where the agreeable climate and warm nights made it possible to make as much use of a home's outdoor spaces as indoor ones.

"I wanted to bring the outside inside," said Mrs. Pamenski, describing her three-year odyssey to recreate a peaceful South African-style family retreat that began in 1998 when the couple purchased a near-condemned structure on the property and promptly demolished it.

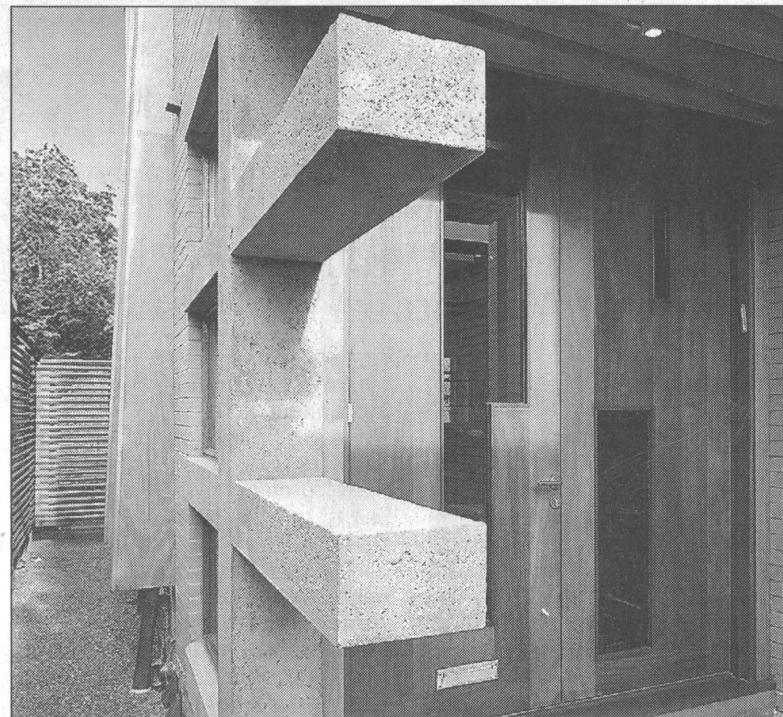
The Pamenskys are empty nesters, but with an asterisk. Their four children and 14 grandchildren visit often — a well-thumbed Harry Potter book rests on the coffee table in front of the hearth — and they entertain regularly. On the day I visited the 3,500 square-foot home, Mrs. Pamenski was preparing to host a dinner party for 60 later in the week.

The concept of the back of the home as the showpiece may be foreign to Toronto, but it's common in South Africa. The owners wanted to display warmth, hospitality and nature to guests more than success, power and money to passers-by. To do so, they needed an architect willing to cast aside



RICHARD JOHNSON/INTERIOR IMAGES

ABOVE: Pivoting windows frame the Pamenski house living room, opening up the space to Beltline views.



PETER SELLER/KLIK

LEFT: The front door brings a modernist touch to the leafy lanes of Forest Hill.

tory, there are no constraints on the building materials we use."

Mr. Jacobs also wanted to dispense with the notion that modern residential architecture is cold and distant. In spite of its brick exterior, the house above all else is an inviting space thanks to the warm glow of a rich wood pallet.

Mahogany frames the doors and windows, while the kitchen is enveloped in a haze of cherry countertops and shelving. A lighter-hued maple brings the ceiling to life, strategically cut away into islands to make way for lighting. A pock-marked strand lumber brings texture to the beams and a subdued staircase tucked behind the kitchen.

Like an altar, the kitchen presides over the living and dining rooms, which meld into a single gathering spot looking out onto the ravine. The expansive pivoting windows — sparingly contrasted with smaller amber windows — fill the entire space with the simple pleasures, sounds and smells of the Beltline. Even the hearth is a subtle fixture, carefully rendered from brick and poured concrete to anchor the room, but not overpower the view of the outdoors.

"We should be trying to release people from the orthodoxy and dogma of traditional architecture. For the first time in human his-

Most of the furnishings and shelving are custom designed, blending in effortlessly with the calm and expansive feeling of the room. The abundant right angles and straight lines are softened further by the natural light that rains down the central stairwell and floods the gathering spot.

Mr. Jacobs and the Pamenskys made few concessions to tradition, allowing them to benefit from technology. Instead of traditional hardwood, a lime slate floor was installed over a network of hot water pipes that heat the main floor, at a significant savings.

Mrs. Pamenski would not disclose how much the project cost, but did say it would have been more expensive to renovate an existing home to accommodate the couple's goals.

The residence was completed in the fall of 2001, and Mr. Jacobs continues to fine tune the outdoor terrace spaces to embrace as much of the natural beauty of the ravine as possible.

"I'm always looking for subtle ways of energizing the space," said Mr. Jacobs.

Special to The Globe and Mail

Award winner

Julian Jacobs Architects received two major awards for the design of the Pamenski residence: 2002 Ontario Association of Architects Award of Excellence (single-family dwelling) 2002 Wood Council of Canada Woodworks' Award, Best Design in Ontario (residential)