

Executive Group turns focus from hotels to multiresidential

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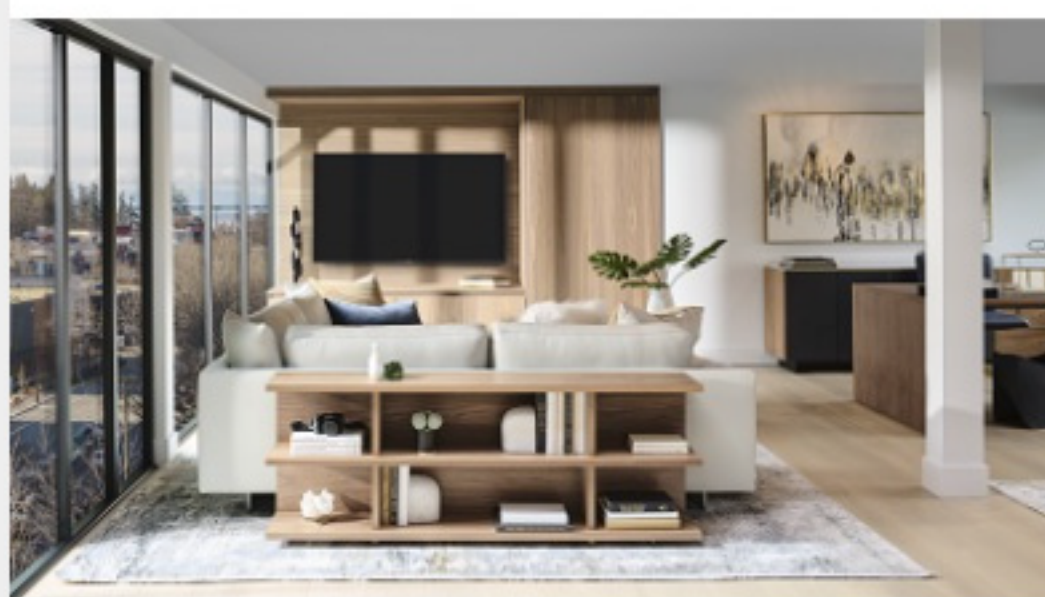
Residential Condominiums Metro Vancouver Sep. 16 2022



Kerry Gold
Business reporter

Executive Group of Companies began with a hotel nearly 40 years ago. Today, the Vancouver company has diversified with hotels, restaurants, warehouses, office, retail, multiresidential — and even a water slide park.

The hotel management and development company, founded by chief executive officer Salim Sayani, expanded its hotel division into Squamish, Whistler and the Lower Mainland, and further beyond into Toronto, Seattle, San Francisco and Midtown Manhattan.



Executive Group of Companies is emerging from the pandemic with a boom in its hotel business and a plan to expand its presence in the multifamily rental sector in Metro Vancouver. (Courtesy Executive Group of Companies)

It's also developed and managed warehouse spaces in Metro Vancouver, Washington and California, with leasing space that adds up to 200,000 square feet.

Now that the worst of the pandemic seems to be over, business is thriving.

The hotels are fully booked and job positions are opening up, according to Tamara Tam, director of sales for Executive Group Development and one of its long-time corporate team members. The focus today, however, is on the multiresidential space.

From hotels to multifamily residences

Executive Group has 14 hotels in its portfolio and with tourism back up to speed, it is set to add more in large metropolitan areas outside of Canada.

In 2018, the privately funded company built the 202-room Exchange Hotel in Vancouver's heritage stock exchange building, a 32-storey tower in the core of downtown.

After the Exchange, it launched a boutique hotel in North Vancouver's The Shipyards project. Executive is building another hotel next to the Exchange Hotel on Howe Street that will be open by next year, at the former Edward Chapman store site.

It has an in-house construction team and has also built more than 3,200 homes, including a 485-unit building in False Creek.

In Tsawwassen, the company has a 22-acre development site across the street from the Tsawwassen Mills shopping centre — a master-planned, multi-phased project that will include over 80 single-family homes, 50 townhouses, eight row houses and about 150 condo units.

Executive Group leases the retail spaces in its residential projects and also owns several hotel restaurants.

"Forty years ago they started with one hotel in Richmond — and I've worked here 27 years so I know a lot of the history. From that hotel they grew the brand," said Tam, also the general manager of the seven-acre Big Splash Water Slide Park in Tsawwassen.

It only made sense to go from developing hotels to developing residential a few years later, she said.

"Hospitality and residential go hand-in-hand. They built their own hotels, so they had that experience and expertise," Tam said of the evolution. "(Sayani) is focused primarily on buying land so we can build on our residential portfolio.

"The Vancouver housing market has been ridiculous, so you see more profit from building (residential) so there's been more focus there.

"We weathered the pandemic, obviously a lot of ups and downs. Now we are full steam ahead and hiring a lot of people right now."

Rentals, offices and "sky villas"

For the first time, Sayani has brought his hospitality-meets-residential concept to his North Shore hometown in West Vancouver.

Executive Group has plans for an eight-storey, 88-unit, luxury multifamily strata building at Marine and Taylor Way, including 21 luxury rental units.

Behind the complex is a restored heritage one-level office building designed by legendary West Coast Modern architect Fred Hollingsworth. Currently the building is used for the sales centre, but one day it will become company office space, said Tam.

The developer will also hold and manage the rental units on the first three floors of the podium, which will come fully furnished and offer housekeeping service.

"We are going to operate as high-end, purpose-built rental," said Tam.

"It's more likely to get approved if you have an element of rental. It's almost a requirement now, to have 'X' number of rental units. And these ones we would manage ourselves."

The location is at the gateway to the high-priced, idyllic city of West Vancouver, on a former gas station and commercial building site that will become officially known as Executive On the Park in about two-and-a-half years.

It's across the street from Park Royal Village shopping mall and a short walk from the Capilano River and the seawall.

Executive Group has gone through the rezoning and is awaiting the building permit, which it expects to obtain soon, said Tam. Construction will then begin.

It's an entirely residential project, without a retail level. A special feature is the two-level "sky villas," which are like a cross between a penthouse and a townhouse.

Since the sales launch three months ago, half the project has pre-sold, including the sky villas. Prices range from \$999,900 to \$4 million, or about \$1,500 per square foot, said Tam.

Bucking the interest rate fears

The buyers at Executive on the Park aren't typically worried about the Bank of Canada interest rate hikes that have been throwing most buyers, including the recent 75 basis points hike, she added.

"I think West Vancouver is a bit shielded from interest rate hikes or anything like that. We have sold three (units) this week if that's any indication. A lot of (buyers) are selling big huge mansions and downsizing."

They're also benefiting, she said, from a lack of supply because there are so few newly built luxury condos in West Vancouver.

The process is slow. The sales launch took about five years, including the time to remediate the gas station site and go through the rezoning.

Executive Group is servicing the development through its Executive Hotels & Resorts hotel development division.

The plan is a residential building that will have the feel of a high-end hotel, with a grand two-storey hotel-style lobby intended as a gathering space, with a 24-hour concierge desk, lounge, fireplace and work space with self-serve, fully stocked coffee bar. There will be wine and cheese events.

Residents have the option of paying for housekeeping service and catering.

"The social program is part of what you are buying into. We encourage residents to come downstairs to the lobby and work . . . or listen to music, people watch — just like a hotel lobby.

"We want people to get to know their neighbours."

Category: Residential

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Kerry Gold has spent more than a decade as a full-time freelancer, writing a weekly real estate and housing column for the Globe and Mail. She also writes investigative pieces for the Walrus, and has written for many other publications, including MSN, Yahoo, Maclean's, MoneySense, BC Business, the Toronto Star, L.A. Weekly and Variety. She spent the first decade of her career at the Vancouver Sun as a music critic and reporter. She also writes books on business, music and food.