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MARKETING TRENDS

Condo developers prowl the catwalk

Companies looking to set their projects apart in an increasingly crowded field are now hooking up with major European fashion houses. Would you like a Fendi sofa with that suite?



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Last week, Marie Fiorellino received a call from the port authorities in Halifax – the shipping container she was expecting from Italy had landed at last.

Now the crate is bound for Toronto, where its contents will spill out like so much treasure, destined to furnish some of the city's most sparkling new condos and boutiques.

With Toronto condo towers rising so rapidly, developers are seeking new ways to make sensory and emotional connections with buyers. Some are adding cachet through ties with European luxury design houses. Many are hiring star architects.

The contents of Ms. Fiorellino's crate include Fendi Casa sofas, side tables, bed linens, and crystal lamps. As the distributor for Fendi's home line in Canada, Ms. Fiorellino will sell the furniture and accessories to condo purchasers at the NXT tower slated to rise above Lake Shore Boulevard West.

At the NXT model suite, Tangerine orange and icy blue furnishings covered in graphic Fs are already being used to attract pushed-up noses to the showroom windows, and condo buyers will be able to buy the line at a boutique in the building. The common areas will also be furnished by Fendi Casa.

"Affordable luxury is something that people look for. You can buy a condo anywhere," says Maria Athanasoulis, vice-president of marketing and sales for Cresford Developments, which is building NXT.

"The market is very competitive," she says. "It's forcing developers to compete or perish."

Cresford is fine-tuning a strategy the company has used before: At 33 Charles St. East, the developer brought Giorgio Armani's style to Toronto condos with Armani Casa.

The prices ranging between \$180,000 and \$500,000 at



Above, the Florian model suite, designed by Brian Gluckstein. Buyers now demand high design says developer Paolo Palamera. At left, a Fendi armchair at NXT. RICHARD JOHNSON PHOTO, FERNANDO MORALES/THE GLOBE AND MAIL



NXT and NXT2 are aimed at young professionals and first-time buyers. The penthouses haven't been priced yet.

"When people have visitors over, they want to set a certain tone," says Ms. Athanasoulis. "The lobby is important. Their amenity rooms, the pool – everything is a reflection."

This status by association has powered brands such as Fendi, Louis Vuitton, Chanel, Prada and Tiffany for years.

At the intersection of Bay St. and Davenport, Paolo Palamera admits to being obsessed with design: The Italy-trained architect is drawing the mon-eyed empty-nesters of Rosedale and Forest Hill to his Florian tower with terraces stretching 35 feet, gleaming expanses of white marble, and everyday conveniences such as shower systems prewired for uploading MP3 files.

Mr. Palamera, co-president of

Diamante Development Corp., brought in David Pontarini of Hariri Pontarini Architects to design the building and interior designer Brian Gluckstein to kit out the model suite and common areas.

Mr. Palamera says potential buyers are demanding good design – "from the quality of glass you use all the way down to the stools in the common area".

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Above, hanging Fortuny Venetian glass lamps in Florian's master suite. Below, library with double-mirror wall. PHOTOS BY RICHARD JOHNSON



Bottom left, potential buyers at NXT ponder a purchase in Fendi armchairs. Right, Florian's model dining/living room. FERNANDO MORALES/THE GLOBE AND MAIL, RICHARD JOHNSON



'We try to be very selective. We target a very niche market'

» "The customers are very, very educated these days", says Mr. Palamera. "They are very precise with their questioning, from the technical point of view to services."

The condominiums at the Florian have sold out in the \$600,000 to \$700,000 range. The remaining units will sell for \$1-million to \$8-million, depending on the final configuration of the penthouses.

Construction is scheduled to begin in May, 2008, with owners moving in about 18 months later.

Many of the buyers are downsizing but that doesn't mean they want to trade down in quality.

"Most of these people have come from homes. They want it to feel like a home."

So customers want to know, for example, if the kitchen cabinets are made from three-quarter-inch plywood or particleboard.

They ask about the amenities and the sound-proofing.

Mr. Palamera is so hands-on



Florian's master bathroom two-person soaker tub on a marble base.

that he mixed the stain for the espresso-coloured herringbone floors in the model suite himself.

"You will never see these floors again anywhere in the world. I developed this myself so I'm the only one who knows the colour," he says.

Diamante has several Toron-

to projects already completed. The styles vary widely from the funky Phoebe on Queen to the Loire Valley ambience of One Balmoral.

Mr. Palamera believes that the use of good materials is more important than identifying with a high-profile name. But he concedes that potential

buyers want to know about the neighbourhood they're looking at.

In this case, the names of Hermes, Chanel and Four Seasons are on display in the presentation gallery.

Mr. Palamera is heartened to see that many of the condo buildings are becoming homes for families as well as empty-nesters. The expatriate of Rome says that in that city, the notion that families must live in a house with a backyard is unheard of.

"There's no such thing," he says. "There's a concept in North America that you have to have a house if you have a family. To me it's very strange."

At NXT, Ms. Athanasoulis first came upon the idea of forming a partnership with Fendi during a business trip to Asia. Ms. Athanasoulis was captivated by the sight of four floors of Fendi merchandise shining out at the shopping district of Seoul, South Korea.

Cresford had already hired Peter Clewes of architectsAL-

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Paolo Palamera, co-president of Diamante Development Corp.

liance to design the building, and on her return to Toronto, Ms. Athanasoulis set about contacting Fendi executives in Italy. They told her that they already had struck a deal with Ms. Fiorellino to distribute Fendi Casa in Canada.

Many meetings and emotional ups and downs later, all of the players had agreed to work together.

"It was a long shot for us," says Ms. Athanasoulis. "They loved the water and the architecture."

Fendi Casa USA president Luca Buttazzoni says the company wanted to see the track record of the developer before forming an alliance. Mr. Buttazzoni examined the architectural drawings and visited the site.

"We try to be very selective," he says. "We target a very niche market."

Ms. Athanasoulis notes that this vetting of the developer by the designer is an evolution in the industry.

"We didn't realize how extensive the approval process would be."

In Toronto recently, Mr. Buttazzoni said he believes that design-oriented people "with good taste" will be the customers drawn to the Fendi Casa-NXT model suites.

He points out, for example, that Fendi Casa develops materials, then dresses its sofas and beds.

"Others do it the other way around. But it's very consistent with the philosophy of the brand. People fall in love with our fabrics."