

Developed by the
Commercial Real Estate Group at
CLARK WILSON LLP
BC's Law Firm for Business

Smallworks aims to make big impression during Games

Vancouver-based laneway housing builder takes sustainable spotlight on 2010 Olympic stage

ANDREW PETROZZI

While its laneway home designs may be small, an Olympic-sized spotlight on Vancouver's **Smallworks Studios/Laneway Housing Inc.** can cast a large shadow on an international stage.

Smallworks' West House is a two-level prefabricated home that includes 610 feet of living space plus a 226-square-foot garage that's on display at the LiveCity Yaletown Olympic celebration site at David Lam Park. The home was built in partnership with the municipal and federal governments, **Simon Fraser University (SFU)** and other technology partners.

For Smallworks founder **Jake Fry** the West House project is the culmination of five years of work and a major step toward expanding the company's commercialization.

"The idea was to make really innovative, sustainable small housing something of interest, and to start to be able to create sustainable housing for families," said Fry. "It was always our long-term objective to make those sustainable homes really focus on being an asset to the community and that the neighbourhood dynamic would stay the same."

The demonstration home has a combined living/dining/kitchen area, a bathroom and loft bedroom with a small balcony. The garage includes an electric



DOMINIC SCHAEFER

Smallworks founder Jake Fry: "it was always our long-term objective to make those sustainable homes really focus on being an asset to the community and that the neighbourhood dynamic would stay the same"

car-charging outlet and, because of sustainable fixtures and appliances, a roof that doubles as a photovoltaic panel and other advanced power management systems, the house produces more energy than it uses. Since the **City of Vancouver** approved laneway houses in 2009 as a means of densifying some 66,000 single-family lots with compact housing, it has granted 21 building permits and has 50 more pending approval.

According to Fry, Smallworks' laneway houses reinvigorate neighbourhoods by improving density and allowing people to find affordable housing that has a limited environmental impact. A base model home – there are four city-approved designs to choose from – will cost

around \$250,000. Its proprietary building envelope surpasses standards set out in Vancouver's green code and is designed for superior air quality and thermal performance. SFU researchers created the data interface and display system, called adaptive living interface system. Its purpose is to help the homeowner practice energy conservation, which current energy-control interfaces don't encourage.

"By supporting laneway housing in Vancouver, we're helping to increase options for affordable housing and at the same time establishing our city as a centre of excellence for green building design and construction," said Vancouver Mayor **Gregor Robertson**.

The federal government

provided \$347,700 through the Western Diversification Program to support SFU's School of Interactive Arts and Technology in developing the project. Vancouver provided \$50,000. Additional funding and in-kind services came from **BC Hydro**; **GRAND**, a network centre of excellence in graphics, animation and new media; **Terasen Gas**; and Smallworks. The homes, which are made with B.C. materials, can be built and installed in 12 weeks. Fry plans to reduce that to eight weeks.

Customers can personalize the building envelope, but all the homes have standard interior designs and fittings. He added that the homes can be customized, but cost climbs accordingly. Each de-

sign is also scalable depending on the space available. The city requires that laneway homes be built on lots that are a minimum of 33 feet wide and face onto an open lane.

Fry said Smallworks is capitalized to build 30 homes over the next 16 months, but is still looking for investors.

"We need a little bit of

"We're helping to increase options for affordable housing and at the same time establishing our city as a centre of excellence for green building design and construction"

- Gregor Robertson, mayor, City of Vancouver

money in the short term to top things up, but the groundwork is laid for that capitalization."

Fry added that Class C preferred shares bought by personal or corporate investors through the subscription agreement are subject to receive a 30% tax credit

through the **Eligible Business Corporation**.

Smallworks also plans to offer a 5% dividend paid quarterly for five years. The company already has a capitalization plan for the next stage of its growth, when it plans to increase annual production to 52 homes.

Following its debut on the Olympic stage, where the home is also showcasing new technologies developed by **MSR Innovations**, **Day-4Energy**, **Embedded Automation**, **Schneider Electric**, **Pulse Energy**, **Terasen Gas** and **Ver-Tek**, the house will be relocated within Vancouver, where it will be studied for two years to measure and monitor its performance and serve as a laboratory for applied field research and testing.

"This project exemplifies the great benefits to be derived from collaboration between researchers, government and industry," said SFU president **Michael Stevenson**. "SFU West House is a showcase for the next generation of homes, incorporating the latest in renewable technologies, and it will have an impact not just in our local community, but around the world."

apetrozzi@biv.com

INSIDE

Real estate roundup – 16

Genuine real estate rebound or more market froth?

From raw logs to real estate – 18

Foresters turn to property sales to generate revenue in down market

ARE YOU BUILDING FOR THE FUTURE?

Planning for today or building for tomorrow, we offer investment options and professional advice to help you build your future.

2.55%*
3 YEAR NON-REDEEMABLE TERM DEPOSIT

G&F FINANCIAL GROUP
your RRSP construction zone

*Rates subject to change without notice.

With 12 locations in the Lower Mainland, drop by a branch near you or visit www.GFFG.com today!

INVESTOR ALERT!

PRIME DEVELOPMENT OPPORTUNITY

NEW WESTMINSTER UPTOWN NEIGHBOURHOOD NEAR ROYAL CITY CENTRE

- 75 Units
- Residential + Live/Work
- 68,239 sq. ft.
- 16 Storey high-rise tower

\$4,588,000
INFO PACKAGE AVAILABLE

START CONSTRUCTION TODAY!

For more information, contact
KE Worldwide Real Estate Services

DON EDRA
778-858-9566
dedra@telus.net



KEN EDRA
604-307-6889
kedra@telus.net

