

 Winnipeg Free Press - PRINT EDITION

# From eateries to office space

## Building will house professionals

By: Murray McNeill

Posted: 1:00 AM | Comments: 0 (including replies)g



MIKE DEAL / WINNIPEG FREE PRESS [Enlarge Image](#)

*Mike Deal / Winnipeg Free Press (ABOVE), Don Healy/Postmedia News ARCHIVES (BELOW)  
ABOVE: Peter Magro (left) with Garry Bistyak, a commercial leasing agent with Century 21 Advanced Realty. BELOW: Ravinder Minhas and his sister, Manjit Minhas, at their warehouse in Regina.*

They won't be serving any more hot meals in the former Tony Roma's building on Kennedy Street. For much of the last three decades, the main floor of the two-storey building at 203 Kennedy St. has

been home to a number of restaurants, including Canada's first Tony Roma's franchise -- it was there for 20 years -- Rodem Tree and Pappalucia's Ristorante Italiano.



[Enlarge Image](#)

*Ravinder Minhas and his sister Manjit Minhas at their warehouse in Regina. (CNS REGINA LEADER-POST)*

But now the property's owner -- Winnipeg's Magro family -- is spending about \$600,000 to refurbish the 63-year-old building and convert it into professionals' offices.

Joan Magro said she and her husband, Enzo, considered leasing the main floor out to another restaurant operator. But they decided it made more sense to convert it into office space for doctors, lawyers, accountants, or some other type of professional.

She noted the building is next door to the Medical Arts building and only one block from the Law Courts building.

"So rather than go retail, we decided to go office."

She said they hope to have the interior and exterior renovations completed within the next few months and have hired Garry Bistyak, a commercial leasing specialist with

Century 21 Advanced Realty, to help find a tenant or tenants.

Bistyak said he's been marketing the property for about six months, and most of the inquiries have been from people wanting to buy it. But in the last few weeks, he's also been getting more calls from prospective renters who noticed the work being done on the outside of the building.

He said ideally, they'd like to put one tenant on each floor. But they would consider subdividing the space -- there's a little over 5,000 square feet per floor -- if that's what prospective tenants want.

He noted the second floor was designed as office space, having served as the corporate headquarters for Tony Roma's Canadian operations from 1983 until about five years ago, when the company sold the building to the Magros.

Bistyak said the Magros have refurbished the building from top to bottom over the last three years, installing a new heating, cooling and ventilation system, a new roof, new windows, new drywall, new ceilings and some new flooring.

And Joan Magro said they're putting new stucco and paint on the exterior of the building.

"To me, when I looked at it, the building looked tired," she said. "We're just trying to modernize it and make it more appealing to the eye."

The family owns and operates two Paradise Restaurants in the city, but Joan Magro said this is their first investment property. She said they bought the building, originally called the Ingram and Bell Block, because they liked the location and the fact it included a 25-stall parking lot -- something that's hard to find in the downtown.

--- --

Minhas Creek Brewing Co. says it still plans to build a brewery on a property it owns on Logan Avenue, even though there's still no sign of construction after 15 months and the property is advertised for sale or

lease.

"We haven't abandoned our plans," co-owner Ravinder Minhas said in an interview. "But we want to do things at a pace that makes sense for us."

Early last year, Minhas Creek demolished the four-storey Regal Furniture building on the northwest corner of Logan and Arlington Street, saying it would cost too much -- at least \$1 million -- to bring the neighbourhood landmark up to code.

Manjit Minhas, Ravinder's sister and co-owner of Minhas Creek, said at the time the company hoped to build a new brewery on the site within two years, and the new facility would employ around 100 people.

But Ravinder said the company now plans to build a smaller craft brewery at the back of the property -- one that would employ 22 to 25 people -- and either sell or redevelop the rest.

He said the 0.5-hectare property is big enough for a small brewery at the back and some kind of a retail building at the front.

"It could be a gas bar or a fast-food outlet or whatever the interest is."

He said it will likely be another year or so before the company moves ahead with its brewery plans because it's about to open a new craft brewery in Calgary, which will serve as a model for any other craft breweries it builds.

The company is planning to build a craft brewery rather than a traditional brewery because that's the side of their business with the best prospects for growth. He said the Winnipeg brewery would likely produce about 35,000 hectolitres of beer a year.

-- -- --

A combination of rising construction costs and a growing demand for better-quality space is driving up office rental rates in Winnipeg, according to a new report from Cushman & Wakefield.

The report's authors -- Wayne Sato and Mike Passingham from Cushman & Wakefield's Winnipeg office -- said the average net asking rent for existing downtown Class A space has climbed by more than \$2 a square foot over the last three years to \$17.35 as of the first quarter this year.

They said that prior to 2009, rates had been relatively unchanged for 15 to 20 years.

Sato said office rental rates in Winnipeg had been among the lowest of any major Canadian city, so they were bound to rise eventually. And he and Passingham said they expect them to continue climbing at a slow but steady pace. Passingham noted that with the increases, the gap between rates for existing space and new Class A space is narrowing. The asking net rate for new space is hovering at around \$22 to \$24 a square foot.

The report said the city's overall office vacancy rate fell 0.4 per cent in the first quarter to 8.4 per cent. It pegged the rate for Class A space at five per cent and the rates for Class B and C space at 8.6 per cent and 8.4 per cent, respectively.

Know of any newsworthy or interesting trends or developments in the local office, retail or industrial real estate sectors? Let real estate reporter Murray McNeill know at the email address below, or at 697-7254.

[murray.mcneill@freepress.mb.ca](mailto:murray.mcneill@freepress.mb.ca)

---

**Find this article at:**

<http://www.winnipegfreepress.com/business/from-eateries-to-office-space-150390895.html>

Check the box to include the list of links referenced in the article.