

Owners applying to convert Tamarack apartments to condos

BY VANCE GUTZMAN

Work continues apace at sprucing up the former Tamarack apartments.

And the work being done is more than just cosmetic, with the new owners converting the west-end apartment complex into condominiums.

Sheila and Kirby Gallagher appeared before Deep River's development and property committee last week to update council members on the work that's taking place.

The Gallaghers, under auspices of KerryHill Management and Development Services Inc, purchased the property, which was most recently known as Cambridge Manor Apartments, this past January.

The property itself consists of 25 and 27 Tamarack, containing 28 and 23 apartment units respectively.

A number of improvements have already been made to the buildings, which are starting to show their age more than 30 years after they were built.

Their names have been changed, for one, to Kerryhill Court, and new digital thermostats have been installed in all 23 units at 27 Tamarack, along with a security system.

Numerous fixtures and basins have also been replaced, the Gallaghers told members of the development and property committee, and brass door numbers have been installed.

But Kerryhill court still needs significant improvements - to the point where a 39 percent rent increase for the tenants would be needed to pay for them.

Provincial guidelines rule such a hike out of the question, as allowable rent increases, beyond legislated guidelines, for significant capital improvements are limited to a maximum of three percent per year for a three-year period.

That's what's driving the Gallaghers to convert the apartments into condominium units, which they believe will be affordable.

The projected selling price of a one-bedroom condominium at 25 Tamarack, for example, is expected to run \$109,000.

BELOW MARKET

Monthly ownership costs in the first year would amount to \$715 - a \$226 increase over the current rents being charged for the one-bedroom apartments.

"They are unbelievably below market value," Sheila Gallagher said of the current rental fees.

The increased costs, she added, would be offset by hydro savings, once all the renovations have been done to upgrade from the existing electric baseboard heaters which are seeing some tenants faced with electric bills as high as \$500 a month.

The Gallaghers also believe they won't have to look far to find buyers for the condos, as existing tenants

will be offered the first chance to buy them.

"We're not looking to ask the tenants to leave," Sheila Gallagher said.

The condos will also be offered to seniors and others not currently living in the units, as well as investors so that tenants protected by security of tenure can continue to rent in units owned by the investors.

The Gallaghers hope to complete a survey and site plan this month and submit their conversion application to Renfrew County's planning department in May.

They hope to start a three-month sales program in July, with a 30-day exclusive window for existing tenants, and close on the sales by November.

Common element upgrades, forecasted to cost \$1.5 million, will include everything from new windows and a new parking lot to new heat pumps at 27 Tamarack.

Their proposal was greeted with open arms by members of the development and property committee, with Mayor David Thompson noting Kirby Gallagher's role in redeveloping the former A&P.

"He took a derelict empty building and made something out of nothing," Thompson remarked.

"These guys are pros. They know what they're doing and they've done it before."