



RIZ DHANJI

PRESIDENT, RAD MARKETING

by WAYNE KARL

Toronto has long been considered a city that is growing in international stature, including its expansive and architecturally evolving condo market. And despite the challenges of COVID-19, some believe a boom is on the horizon – with bigger, better and more impressive projects that further solidify the city’s place as a world-class destination, and a top choice to live, work, play, and yes, buy a condominium.

One of those people is Riz Dhanji, president of condo sales and marketing firm RAD Marketing.

How’s business these days, during these challenging times?

It is clear that COVID has had an impact on real estate, especially when the pandemic hit in March. July to October saw a big resurgence in sales when lockdown measures eased, letting loose a significant pent-up demand, with low inventory in both resale and pre-construction. Plus, with interest rates at historic lows.

Now, with cases rising and lockdown measures in place and most of the demand satisfied, things have slowed and will slow till the end of the year. But we will see a boom in real estate sometime starting in the middle of 2021 and progress stronger into 2022. With a vaccine expected next year, borders will open, and with lower supply and more immigration and low mortgage rates, we will see sales come back with a vengeance.

What defines RAD Marketing? How does it differ from other new home and condo sales and marketing firms?

I started RAD Marketing a few years ago as I saw there was no other firm using true sales and combining it with marketing expertise and technology to differentiate projects, to achieve not only strong sales results but higher revenue for the developer. The typical launch today is executed the same way it has been for more than 20 years. The consumer has evolved,

the city has evolved and real estate has evolved, but condo sales and marketing firms haven’t. We are the only firm using cutting-edge sales and marketing strategies, and work with the developer on all aspects of a development, from interior design, to amenity design, suite layouts, finishes, marketing strategies, technology, sales centre design, plus much more to assist their consulting team deliver the best product for the market.

Our first project, King Toronto, was the most expensive condo launched in Toronto and involved starchitect Bjarke Ingels with Allied and Westbank Corp. The project delivered on some of the most innovative campaigns seen for real estate worldwide, and the results have been proven with our sales success and pricing success. We are working on our next project, called One Delisle, with Studio Gang, which will really change architecture and design for Toronto at the Yonge and St. Clair neighbourhood with Slate Developments. We are really excited

for this and many other projects RAD will be working on in 2021.

How does your international experience help you, vis-a-vis your involvement in projects in the GTA?

It has allowed me to work with a number of different cultural backgrounds, including Mainland and Hong Kong buyers, since I also speak Mandarin. I am also well-travelled and have a passion for design and architecture, which allows me to provide our clients with unique concepts for buildings to further differentiate their projects from the marketplace. Having sold in Hong Kong, lived in China and conducted exhibitions for real estate around Asia, Europe, the Middle East and elsewhere, I also have a great contact base from which to draw upon for clients looking to sell internationally.

How do you see the next couple of years in the condo industry in the GTA? Some observers suggest there's some oversupply and that prices may plateau or even decline?

The oversupply narrative is overblown because of the pandemic. Canada was expecting close to 300,000-plus immigrants this year. Because of COVID, not even a

quarter of that have come to Canada. International students are big buyers of housing, and they have not returned to the city. Not to mention, the current work-from-home phenomenon has made people look outside of the core for housing. Furthermore, the vitality of the city has been compromised, with the lockdown measures of restaurants, theatres and gyms.

Now that we have seen an announcement of a vaccine and the government of Canada looking to widely distribute between first and second quarter of next year, and rapid testing to soon be mandatory on all flights into Canada, you will see borders open up, overseas students come back, the government trying to make up for lost immigration, employers asking employees to come back to work, traffic driving some people to move back to the city... all of this will lead to a strong few years of real estate sales.

And over the next three to five years?

We are going to see a boom in real estate in three to five years, primarily because launches are down significantly from last year, fewer land transactions have occurred and zoning has been delayed. This means, similar to 2011, a few years after the

financial crisis, we are going to see very low supply and pent-up demand from immigration targets and general pick-up of the economy. Interest rates will still remain low, so you will see the next boom in real estate in this time period.

What area of Toronto do you see as really promising, in terms of the potential for new condo development, or just on the verge of taking off?

After having done King Toronto, we are seeing a lot of people either moving to Toronto or local Toronto buyers looking to buy in special buildings with iconic architecture and design. Major global cities such as London, Hong Kong, Paris, New York, Miami, are all working on defined, starchitect buildings that are changing the typical topography of the city. It takes bold developers to do this, and we are seeing more of this in Toronto. This is great for our city and will only draw more people from around the world to want to live in Toronto. Plus, these buildings resonate with buyers who want to live in something special that you can't find anywhere else. Many of us aspire to own a beautiful car such as a Porsche, or have a luxury Louis Vuitton handbag. The same aspiration is for real estate in this city, and it is really great to see.



How is COVID-19 changing what buyers look for in condos?

Buyers are looking for larger spaces in condos, with outdoor areas, and more functional design where a second bedroom can be a den or a family room. The versatility of floorplans is something we are working on and it will definitely be impactful post-COVID. We are also seeing amenity spaces becoming more versatile to allow for accommodation of either a party room, dining room or co-working space. Zoom rooms are being considered, so residents can come down from their unit and be in a quiet, well-designed space to do their calls. Combinations of uses, from retail to residential, are becoming more important, and we are seeing buyers gravitate to different neighbourhoods in the city where we haven't in the past.

The marketing and selling of condos is changing during the pandemic, given restrictions and virtual sales techniques. How are buyers reacting to this – in terms of their comfort level in buying a condo completely virtually, or online meetings first then visiting sales centres by appointment?

Real estate is still a touch and feel product. No different from the desire for purchasers to go see an open house before buying a home. You need to feel the space for yourself, the sales office, finishes and model suite or vignettes. There are some buyers that have bought completely virtually, but a majority make a visit to the sales office and then can communicate with the sales team more virtually after.

At RAD, we are able to do all our paperwork digitally so buyers can sign from anywhere in the world easily, and either wire-transfer funds or send cheques to us.

In your recent contribution to the NextHome Builders' Annual Industry All-Stars report, you emphasized that any movement among buyers moving and buying outside the city is purely short-term. How firm are you on that belief, a number of weeks later with the pandemic seemingly digging in?

I believe this more than ever, now that a vaccine has been developed and more will come. And the government is working on plans to deliver the

vaccines over the first two quarters of next year. It doesn't mean we will be rid of COVID forever, but we will see new treatments and better testing to allow society to manage.

Human beings are naturally social, and there is a desire to get back to living life. Cities have evolved from devastations in the past, from the plague to natural disasters, only to come back stronger and better than before. I can't predict the exact time frame, but next year will be the beginning of the recovery. We can also take the stock market as an indicator on the new normal of life coming back after a few years. When this happens, offices will want employees back to work. Maybe not every day, but for some days during the week. Not to mention, with immigration expected to increase exponentially, this will only drive more buyers to cities.

I am a firm believer in real estate in the GTA. Our city is one of the world's best and we have a lot to offer. There is only so much supply that can be produced, and it will lead to a stronger market in the years to come.

radmarketing.ca

& on a personal note

If I wasn't involved in the new home and condo industry, I would:

Work in architecture or interior design. I just love buildings and great design.

When I'm not at the office – real or home – I am:

Travelling, but obviously not now with COVID. My family and I pick a different location in the world every year to go see. It just enriches you on different cultures and life.

My greatest inspiration in life and in business is:

Any business leader such as an Elon Musk or Steve Jobs who have tried to disrupt the market for a typical product or service and forged ahead to redefine a new generation of business. That's what we're doing at RAD Marketing in real estate.

My reading list right now is:

A lot of marketing and sales books, but right now I would say the 10x Rule by Grant Cardone. Grant and I got to speak on stage at an event on leaders in their field and he convinced me to read it. I thought it was great and good for those in real estate.

