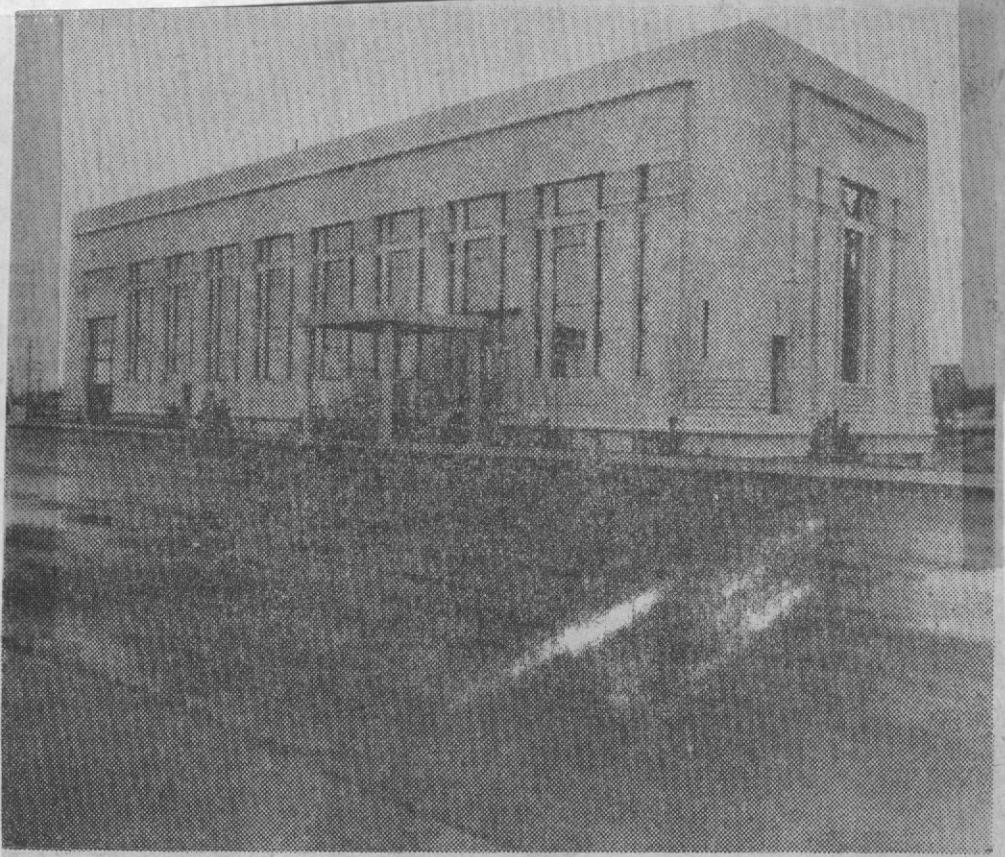


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— Colonist photo by Alex Barta

Empty parking lot outside converted office building

Mace facing foreclosure

COLONIST

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By HUBERT BEYER
Colonist Reporter

Victoria developer J. A. Mace is being foreclosed and unless he can come up with \$1.2 million in the next week or two, he would appear to be in serious trouble.

Mace has been served a writ of foreclosure by West-coast Savings Credit Union.

Westcoast Savings holds the first mortgage on Mace's re-development project at Bay and Government involving conversion of the former B.C. Hydro substation to office space.

The project has been completed for some time, but Mace has been unable to lease the space.

A writ of foreclosure filed in B.C. Supreme Court Oct. 23, was served on Mace Homes and Investments Ltd., Bay Village Ltd. and Victoria

Centre Ltd. Mace is a principal owner of all three companies.

Monday morning, a motion was filed in the Supreme Court chambers to carry out the foreclosure, but the court granted a one-week adjournment.

It was the first of two similar motions that are part of the procedure of foreclosure. The second motion is expected to be made in a week's time, and another one-week adjournment will likely be granted.

That gives Mace about two weeks to arrange for alternative financing to pay West-coast Savings.

Mace was reluctant to provide any details in an interview Monday.

Asked whether he was in financial trouble, he replied that things were bad everywhere.

He said the project was

"perhaps an error in judgment," adding that the same thing could happen with any other project.

"We wanted to do something with the building; we took a gamble," Mace said.

His financial problems, he said, were only temporary, but he added that "we're running out of time."

Conversion of the building to offices was to be the first stage of a much larger project. Mace originally planned to build a hotel tower on property adjacent to the former B.C. Hydro building.

The proposal, however, was shot down by Victoria city council.

Mace said he still believed a hotel would have been ideal for the site; the old building, he said, could, in that case, have been converted to a small convention centre.

Mace said he still hoped to build something on the site; he mentioned the province's

assisted rental program as one possibility.

"We need people in the city and I'm sure we could come up with a good scheme," he said.

Nobody at Westcoast Savings was willing Monday to comment on the foreclosure.

Mace has been somewhat in the background for the past two or three years, but during former mayor Peter Pollen's anti-highrise campaign, the name Mace was a household word in Victoria.

Mace was one of several developers singled out by Pollen for special attention.

One of Mace's most controversial development proposals at that time was the Bay Village shopping centre at Menzies and Simcoe in James Bay.

Original plans called for a 28-storey highrise tower, but the scheme was eventually scaled down to its present form and bought by Standard Life.