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Among the most prized properties in the Pearl District are the old North Bank railroad buildings, which have been turned into the upscale 10-unit Pearl Townhomes. The Portland Streetcar-friendly homes are split by Northwest 11th Avenue, between Hoyt and Irving streets.

Will the future bring more boom, or bust?

Some fear overbuilding, but loft demand stronger than ever

By KRISTINA BRENNEMAN
The Tribune

Oh, to be the owner of a venerable, desirable business.

Peter's Office Supply & Interiors sits on a prime parcel smack in the middle of the ultracool Pearl District. Owner Peggy Oliver's father, Peter Elsenbach, started the stationery business 58 years ago.

Pearl developers are wooing Oliver, in hot pursuit of her family's two buildings at 835 N.W. Everett St. They're offering amounts that would send most people off to Beaverton with plenty of cash in their pocket.

Yet Oliver has no desire to move or close the store.

"I've got 30 employees, so I'd feel heartfelt if we were to close," she says. "I would like to keep them employed. We've liked it here for so long."

The \$1 million-plus offers to Oliver and other longtime Pearl business owners are considerable for buildings that are about 20,000 square feet in size. Downtown land averages between \$30 and \$75 per square foot.

The payoff for the developers, however, can be huge. At least eight new condominium projects and five multiunit apartment projects set to open in the Pearl during the next two years will total more than \$200 million in value. Another 275 units are slated to open in 2005 and an additional 592 in 2006.

The condos have gotten more



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Pearl District developer Robert Ball stands next to the enormous top-floor windows that will be a part of the renovation of the old Meier & Frank warehouse on Northwest 14th Avenue. The 166 condos are expected to be ready for occupation next August.

expensive, with prices continuing to top \$300 per square foot. The newest ones range from \$190,000 at the Edge to \$660,000 for a two-bedroom at the soon-to-open Henry to \$1.7 million for a penthouse at the Gregory — well beyond the budget of anyone not on a law-partnership track.

"Developers, entrepreneurs are

vying for sites to join this loft trend," says Ramona Harrington, president and owner of Oregon Commercial Properties. "They're coming into Portland for opportunity."

Exodus to the east

One of the charms of the Pearl has been streets lined with brick