

## No return for a prodigal who's bullish on Budapest

BY ANNA PORTER BUDAPEST

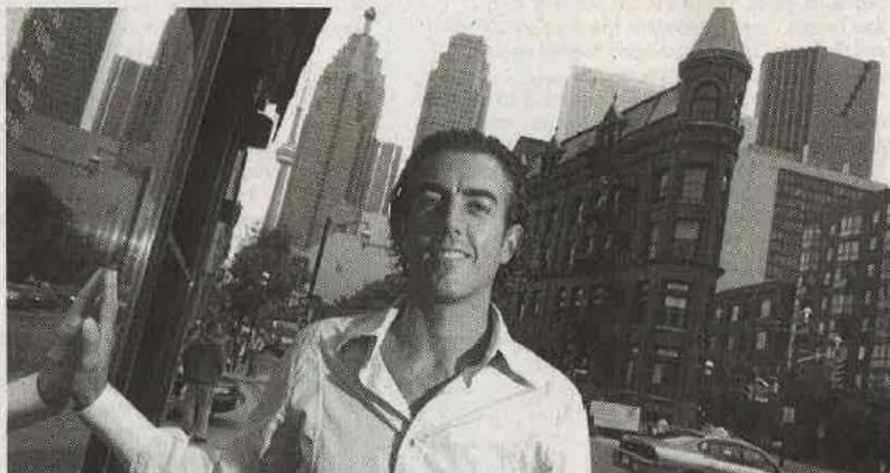
Strange as it may seem, last weekend's first-year orientation at Halifax's Dalhousie University – with its dodge ball game, “mocktail” party and, yes, cautionary session of *Sex With Sue* – was more like a homecoming for at least one participant.

He is 18, and arrived from Budapest after completing an International Baccalaureate program with two years of study in Switzerland before that. He speaks English, French and German, and has spent the past two summers as a personal fitness trainer in Turkey. Yet, his father says, Braydon Tippin is a “true-blue Canadian” who “misses hockey, beer and cold winters.”

Dalhousie is bound to help Braydon overcome his homesickness, but father Michael – the hip Canadian property developer who made his name by restoring such Toronto landmarks as the Flatiron building, the Beaux Arts-styled Summerhill train station and blocks of heritage buildings downtown – says he has no intention of following his son's example and forsaking his happy Hungarian home.

Five years ago, he hadn't even set eyes on Budapest, but now, when Michael Tippin enters the elegant Gellert Hotel, the doorman bows deferentially. In the throng of Hungarians, the svelte Canadian looks like a greyhound at a puli convention. Greyhounds are eager to run, but unlike all those who have bolted since the fiscal crisis, the 41-year-old Mr. Tippin not only says he is staying put; he is bullish about Central Europe's future.

He arrived in October, 2004, after a business associate told him that he would never again find an opportunity like the city's grand Exchange Palace, which was built in 1905 (when it was second in size only to Hungary's massive parliament buildings) and had housed the



In 2006, Michael Tippin sold the Flatiron and his other Toronto buildings. KELLY TAYLOR FOR THE GLOBE AND MAIL

national television network since 1957. Although it has gone through two world wars, the Exchange Palace – located on Szabadsag Ter, or Freedom Square, opposite the U.S. embassy – boasts a striking façade, a grand staircase and a glass-domed rotunda (until recently a storeroom).

Mr. Tippin was hooked. “I love this city,” he says, sitting on the Gellert's terrace with a gentle breeze from the Danube. “When I arrived, I had no idea what to expect. Eastern Europe was a blur to me. But it did not take long to see the place for what it is.”

Born in Toronto in 1967, he was adopted as a baby and grew up outside the city (his father taught in nearby Ancaster and Cambridge), returning in 1986 to study international business at York University.

He began his career as a real-estate analyst and became an investment manager before launching Tippin Corporation in 1996. He was just 32, but his first partner, Sam Reisman, recalls being impressed by his knowledge and confidence.

By the time the Exchange Palace appeared on his radar, Mr. Tippin knew a great deal about buying and restoring old

buildings, such as the Flatiron in Atlanta as well as Toronto, along with the landmark liquor store at Summerhill and heritage buildings downtown.

He says his wife, Anne, is his managing director, overseeing “the construction and operation of all projects, leaving me free to focus on acquisition, finance and development.”

To buy the 500,000-square-foot Exchange Palace, he made a proposal to several U.S. Ivy League investment funds, whose managers, he said, needed just five minutes to endorse the \$22.5-million (U.S.) purchase. Now, the group is spending an estimated \$100-million to restore the place.

“Economic recessions come and go,” he said at a news conference unveiling his plans for the building, “economies always come back stronger.” Besides, in tough times construction costs go down.

The architects chosen for the project, Beyer Blinder Bell of New York, are restoration specialists, veterans of Grand Central Terminal, the Rockefeller Center, the Empire State Building, the Morgan Library and the U.S. Capitol in Washington.

With the TV people gone, Mr. Tippin expects the Exchange Palace to reopen in two years, offering everything from office space and art studios to yoga centres, beauty salons and cafés. He recently struck a

deal with the government to lease part of the Exchange Tower for a collection of work by famed photographer Robert Capa, who was born in Budapest and made his name during the Spanish Civil War.

While the reno is being done, he will spend more time in Berlin, where he is rebuilding the Humbolt electrical station, and in fractious Georgia, where he is developing land at Tbilisi's airport. “The Russians love Georgia,” he says with a wave of his hand. “These troubles will pass, as they did for Eastern Europe.”

He says he has new deals brewing in Ukraine and Poland, and suggests that the “correction in commodity markets” has provided him with ideal opportunities for purchasing the kind of building he likes.

Son Braydon, meanwhile, is not expected to stay in Canada forever. As a student of international development, he plans to take Dalhousie's renowned Russian studies program and spend a year on an exchange in Eastern Europe.

He also aspires to become an international property developer himself some day – which, his father admits, is “fine by me.”

» Canadian writer Anna Porter is currently working on a book about the state of democracy in Central Europe.