

P R O S P E R I T A S

EUGEN KLEIN REAL ESTATE BROKERAGE & MARKETING SYSTEMS

MARCH 2004

■ Pre-market Listings! ■ Top Story: Recreational Properties ■ Inside: Investment Opportunities

Editorial



First of all, I would like to take this opportunity to thank all of you who made it out to the Land Rush 2004 event

put on by Ozzie Jurock. Over 500 people attended; I was especially encouraged by the turnout to my seminar which was first thing in the morning - who said the weekends were for sleeping in? I have already had 8 new clients set appointments to meet with me to discuss their investment plans and goals. I encourage you to do the same.

This month has been a very busy one. As you receive this issue I am currently in Ottawa meeting with the other directors of the NCC (National Commercial Council). We are hoping to iron out some of the wrinkles in the CLX national commercial listings database, and to table some initiatives to the ministers here at the capital - we are pushing for tax relief and investment incentives to create even better opportunities to invest.

Continuing last month's theme, I have devoted this article to more tips for investors looking at recreational property in BC.

As always, I encourage you to contact me with any of your questions or concerns regarding the disposition of your commercial investments or business.

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Recreational property continues to be a hot ticket item in British Columbia. The dynamic interest from foreign and local investors, in combination with the reluctance of recreational property owners to sell their holdings has created a short supply - developers of recreational land can't get their product on the market fast enough. The Okanagan and its environs have set particularly torrid transaction efficiency records - directly in and around Kelowna, for example, the sales to listings ratio exceeds an astonishing 96%..

Two groups in principal are driving the high demand. International investors still perceive our province as an exotic playground or untamed frontier with unlimited opportunity to hike, mountain bike, kayak, ski, snowshoe, snowmobile, hunt, fish, or merely create a refuge from a busy lifestyle. Baby boomers nearing retirement age are looking for venues for their amassed wealth; and the low interest rates permit them to go into debt to invest in their dream property or retreat - a new phenomenon challenging the venerable dictum that retirement entails scrupulous

Shangri-la

Part II: Recreational Property

By Eugen Klein, B.Comm(UREC), CRES, ARM®, RI, FRI
Real Estate Broker

management of assets and equity.

Here are some more facets you should consider carefully when purchasing recreational property:

Lot Boundaries & Title — Clearly understand the lot boundaries (deeded and leased where applicable), building locations, encroachments, water boundaries, road access and easements on the property. Easements come in many forms, environmental, mineral, water as well as accessibility. Many deeded properties with older title claims have land that the seller may not even know he owns! Hire a surveyor and make it a part of your subject conditions. Leased land, in

most cases, is something to avoid especially when looking at resale value. Leased land is an asset only in the case of a property, like a ranch, where the leased land surrounds already deeded property to extend grazing licenses, water rights, pasture land, and privacy.

Heating — Some cabins have wood burning stoves. Insurance companies may not insure your property if these

(continued on page 4)

T E S T I M O N I A L S

"I know that he devotes exactly the same care and attention to his clients' investments as he does to his own. He is a man of tremendous integrity. I encourage you without reservation to rely upon Eugen to answer your real estate questions and your real estate needs. Or call him any time for advice, on any matter; he is always happy to give it, and it never fails to be useful. He is truly a pleasure to work with."

'Rocky' Roy Cameron
BC Lions Alumni

"Eugen is very well qualified ... Eugen is a conscientious hardworking member of our profession and I have every confidence in [him]"

John R. D'Eathe, LL.B., R.I.(B.C.),
Chairman Penreal Capital Management

"I have known Eugen Klein for approximately fifteen years. I am impressed by his commitment to life and all its opportunities and challenges. By my experience he is hard working, honest, intelligent, sincere and courteous.

John Windsor, R.I.(B.C.), F.R.I.C.S.,
President,
North American Property Corporation

"Eugen Klein is without a doubt the hardest working and most dependable real estate broker we have ever come across. Since our first meeting over a year ago he has continually impressed us by always anticipating our needs and exceeding our expectations."

Dr. A. Ignaszewski, M.D., FRCPC, FACC
Cardiologist Heart Transplant Program,
Medical Director Healthy Heart and
Heart Function Program

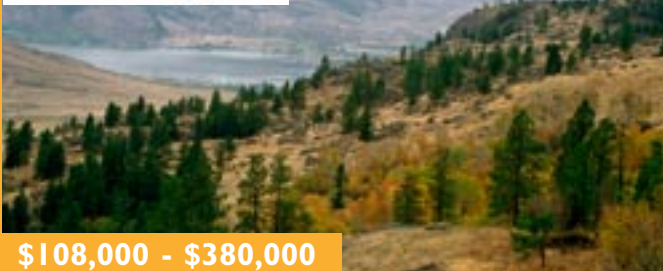
Please visit us on the world wide web at www.eugen-klein.com

Goddard & Smith
International Realty Inc.



REGAL RIDGE

- 48 new lots available
- Stunning views
- 3.2 Acre lots
- Osoyoos, BC
- Priority sign up
- More sites coming!



\$108,000 - \$380,000



2

Coming Soon



3

\$10,500,000



4

\$4,250,000



5

\$249,000



6

Coming Soon



7

\$99,500



8

\$650,000



9

\$13,000,000

2. MOBILE HOME PARK LAND

Okanagan valley, 20+ acres, all services at lot line. Conforming & non-conforming uses available. 100+ pads.

3. 46 ACRE DEVELOPMENT SITE

Between I-5 & Pacific Hwy; truck stop, manufacturing, duty free potential \$4.50-\$6.50/sq.ft. Border proximity 10 parcels, all serviced

4. REVELSTOKE RESORT

18.73 Acres; Restaurant, Pub, 26 Rooms, Indoor Swimming Pool, Cabins. Strong Winter Revenues,

5. SPA & RETREAT FRASER VALLEY

Loyal clientele; solid contracts and affiliations with local hotels, convention centres, churches & community groups.

6. CLOTHING MANUFACTURING

Manufacturing business, growing revenues, business sale - Vancouver.

7. DOWNTOWN STRATA OFFICE

Howe Street, Vancouver. Supreme Court. Perfect for independent professional. Parking space included. Excellent amenities.

8. MIXED COMMERCIAL

Aldergrove: two level; commercial lease space downstairs and residential space upstairs. Fully leased/owner occupied.

9. MIXED-USE REDEVELOPMENT

Shopping mall for redevelopment into com/ res tower, 15+ storeys. Exceptional view of Vancouver & Puget Sound \$13,000,000

GOLF COURSES - FRASER VALEY

9 - hole executive course & 18 holes w/training facility, pro shop, driving range, clubhouse, practice greens.

WANTED

20,000 - 30,000 sq. ft. retail location in close proximity to downtown: lease or buy

This communication is not intended to induce a breach of already listed properties or businesses. All information must be verified by the purchaser. Images are representative only.

COMMUNITY

My 'Community' section is dedicated to the extraordinary people who have contributed to my life with exceptional service. I would like to share my good fortune of knowing them with you. Please feel free to convey my recommendation.

BARFLY

Mr. Jesse Bannister
New Westminster (604) 519-0333

BANK OF MONTREAL

Mr. Joe Corrado & Mr. Mark Tower
Vancouver (604) 665-2682

CAPITAL WEST MORTGAGE

Mr. Daymon Eng
Vancouver (604) 899-3799

CHARTERED ACCOUNTANT

Mr. Grant Gilmour
Langley (604) 888-4200

CIBC RESIDENTIAL FINANCE

Mr. Adam Beaudin-Ball
West Vancouver (604) 981-2549

CIBC RESIDENTIAL FINANCE

Mr. Derek Christiansen
Vancouver (604) 220-6161

COMFORT INN

Mrs. Valerie Orr
Vancouver (604) 605-4339

COMMERCIAL MORTGAGES

Mr. Gary Khangura
Vancouver (604) 879-0235

CYPRESS INSPECTIONS LTD.

Mr. Noel Murphy
West Vancouver (604) 312-8606

11. NIGHT CLUB - FRASER VALLEY

Established club with loyal clientele. Minutes from downtown Surrey. Excellent lease 5,000 sq.ft.; Completed full renovations.

12. ENGLISH TRAINING COLLEGE

Central Location in downtown Vancouver. \$1,100,000 in annual revenue.

13. TACO TIME

Three locations in Greater Vancouver, Managers in place in all stores, owners retiring, franchises offered below market

14. MOBILE HOME PARK LAND

BC interior, location overlooking city, considerable redevelopment potential

15. ESTABLISHED RETAIL

Heart of downtown, 20+ year established, consistent revenues between 1,600,000 and 2,300,000 over past 10 years

16. WHISTLER RETAIL LEASE SPACE

2,000 sq. ft. to 10,000 sq. ft. available - Excellent exposure; excellent foot traffic, esp in peak seasons.

17. GRANVILLE STRIP RESTAURANT

Located in the bustling heart of downtown Vancouver. Exceptional reputation. Call to register for package!

18. DEVELOPMENT LAND GVRD

Parcels for mixed use commercial/residential - inquire today

KITSILANO RESTAURANT & BUILDING

Large and busy, recognized name & location. Profitable spring and summer ahead

WANTED

Vancouver residences for land assembly

WANTED

Industrial building; south side of Fraser River, 1.5 acre lot with building preferred.

WANTED

Mobile home parks, 30-60 units; waiting list of buyers!



\$1,950,000

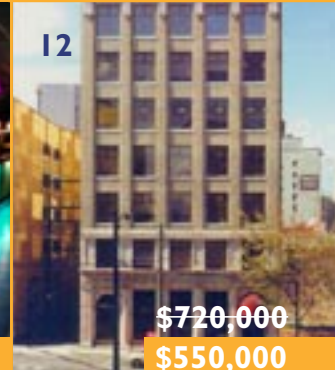
TOWING COMPANY

Serving all major southern BC highways from central location

- 17 years growth
- 13 trucks
- Major contracts
- Awesome cash flow!



\$595,000



12

\$720,000

\$550,000



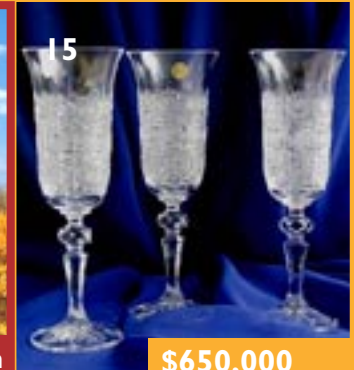
13

\$510,000



14

Coming Soon



15

\$650,000



16

Coming Soon



17

Coming Soon



18

Coming Soon

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C O M M U N I T Y

DIGITAL PRINTING

Mr. Jason Romo
Vancouver (604) 420-3400

FLOWFORM DESIGN GROUP

Mr. George Verdolaga
Vancouver (604) 321-8008

GRAPHIC DESIGN & ART WORK

Mr. Denis Meyer Jr.
Burnaby (604) 777-0550

MAHOVLICH MARBLE & GRANITE

Mr. Frank Mahovlich
Vancouver (604) 293-0093

MCKITRICK CLARK MCLEOD

Mr. Bruce J. Preston
Vancouver (604) 736-6717

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Mr. Dean Kazoleas
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PINK LIME SALON & SPA

Mr. Youssef Jawhari
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POPCORN CREATIVE

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Mr. Chris Lewin
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SCOTIA MCLEOD

Mrs. Vanessa Stenner-Campbell
White Rock (604) 535-4749

VANCITY CREDIT UNION

Mr. Joe Chan
Vancouver (604) 877-8296

VANCITY VENTURE CAPITAL

Mr. Axel Christiansen
Vancouver (604) 877-6582

Danger: Taxes Ahead

A Few Things To Keep In Mind As You Prepare Your Tax Returns:



Timeliness: If you fail to file on time you will be charged 5% plus an additional 1% per month for each month the return is not filed (maximum 12).

Automobile Expenses: The Canada Revenue Agency has strict requirements to ensure that only business-related auto expenses are deducted. Specific info may be found at www.bdo.com (search for 'weekly tax tips').

Adjustments: If you discover that there was an error on your return, or that you forgot a deduction, you can obtain the necessary form and the steps to follow from the Canada Revenue Website:

www.ccr-aadrc.gc.ca/tax/individuals/faq/

If you have further questions regarding taxation we would be happy to refer you to one of the exceptional professionals we know. ■

Carb Myths Exposed

by Ali J. Chernoff Registered Dietician & Nutrition Consultant
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What people eat and drink can affect their exercise performance. Many people today get confused about the role of carbohydrates versus proteins in their diets.

It is tempting to label nutrients as either good or bad, but both carbohydrates and proteins are critical to good health and exercise performance. The key is that they perform different roles and so you cannot substitute one for the other.

Carbohydrate is the preferred fuel for working the muscle. It:

- Yields more energy for muscular work than protein or fat.
- Provides energy more rapidly to working muscles than protein or fat
- Is the only fuel that can be used anaerobically or without oxygen.

The fact is carbohydrates in whole grains (whole wheat, pumpnickel, cracked wheat breads, whole wheat pasta, brown rice, quinoa, oatmeal), vegetables and whole and dried fruits are good for the body. They provide us with:



- Glucose needed to fuel muscles—and store extra glucose in muscle in the form of glycogen.
- Nutrients such as the vitamins thiamin, riboflavin, niacin and folate and the minerals iron, chromium, magnesium and phosphorus.
- Phytonutrients (plant substances): like antioxidants - they protect the body from damaging free radicals. ■

Serenity Now

(continued from page 1)

systems do not meet current standards. Require the seller to provide proof of compliance in a form of a certificate acceptable to your insurance company.

Roadways — A thorough check with the Ministry of Highways is an important step to ensure not only the accessibility of your property, but that you are not building on a public roadway. In some of the rural locations public roads have not been built, but are delineated. The Highways Act specifies that when public roads cross private property, these serviced areas become property of the Ministry of Highways!

Septic Systems — The property must allow for some sort of septic system. Strict regulations surround the location of your septic field and its proximity to water sources. Some properties still have outhouses, cesspools or leaching pits so be cautious and exercise full due diligence, with environmental subjects.

**“...have it
appraised by
a qualified
timber
evaluator...”**



Timber – If the land is wooded (in BC you can almost guarantee it will be) there may be value in the timber; you should have it appraised by a qualified timber evaluator. With the right kinds and qualities of tree, there may be a latent pool of capital on a larger (>100 acre) property worth millions! This can be harvested slowly to cover your expenses (taxes, improvements). If you are purchasing a property in a recreational subdivision, you may want to have a look at the other properties that are available;

all other considerations being the same (view, access, etc.) select the one with the best trees. Fir, cedar, spruce, and cypress tend to have the greatest value per cubic meter.

If you are looking into some recreational property, feel free to contact us for some unbelievable and rare opportunities. My portfolio currently includes several projects including some large northern ranches over 1000 acres, view lots on Gambier Island and in Pender Harbour. ■

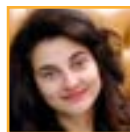
INVESTMENT ■ BUSINESS BROKERAGE ■ SITE SELECTION ■ ASSEMBLY



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**Please do not hesitate to call me at 604.818.5888;
it is my pleasure to serve your real estate needs.**

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