

The Goodman Report

FOR APARTMENT OWNERS

Issue 29 February 2005

THE YEAR IN REVIEW

Activity in the multi-family sector finds itself at its best levels since the early 90's. Unrelenting demand for apartment investments continues unabated, fuelled by low interest rates and investment risk, the emergence of an active new breed of local entrepreneur and an apparent decline in vacancies. In 2004, an estimated \$327,000,000 worth of product consisting of some 133 buildings has changed hands in Vancouver's Lower Mainland.

While the extreme lack of supply and low yields are a hindrance, investors desirous of positioning themselves in the market have been bidding up prices and in many instances, surpassing 2003 levels.

To provide some market perspective, the following graphs (p.2) summarize dollar volumes and building transactions over the last 10 years (1994 – 2004). For a further in depth statistical review comparing activity for 2003 to 2004 and detailed Vancouver Lower Mainland sales by area, we invite you to visit our Market Trends section on our website where you can download this free report at: www.goodmanreport.com. For those of you who receive the newsletter by mail, we have included this data as well. Also, please don't forget to subscribe in order to receive timely updates of sales transactions, new listings, articles from industry experts, as well as other useful information.

Fast Forward

Mark Twain once said, "News is not when dog bites man, but when man bites dog." Is there a man waiting to bite dog? It is not a matter of whether or not this explosive market can sustain itself; as we all know there will be a contraction. The question is when and how severe will it be? It has been our experience over the years that changes occur very rapidly. There are usually no overt warnings, except some distinct signs, such as increased listings, more calls from owners inquiring about values, longer listing periods and selling prices at a significant discount to asking prices. Thankfully, we have not arrived at this stage yet, but we are receiving more calls from clients asking us about possibly listing their building to take advantage of this strong market. We have observed that over the past 3-4 years, buildings that are priced at or near the market sell rather quickly; however, buildings that are overpriced with unusually low capitalization rates remain listed for quite some time and receive little or no action. This, in spite of the best market in 14 years.

The current pricing mechanism appears to be significantly different from other boom markets that we have previously experienced. During the late 80's for example, when a building was sold with multiple and backup offers, astonishing new pricing highs were achieved. Investors were foregoing

(cont'd p. 2)

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News and views from David and Mark Goodman

AN ERA OF GROWTH

We, The Goodman Team, made up of David and Mark, have been privileged to assist many of you in the purchase and sale of multi-family rental buildings and development sites in Vancouver's Lower Mainland.

We are pleased to announce that 2004 has been another exceptional year for The Goodman Team. With our industry having experienced heightened activity over the past 4 years, it is with great appreciation and thanks to our many clients for their continued support, that we pen our thoughts for this 29th edition of The Goodman Report, a newsletter for apartment owners proudly published since 1983.



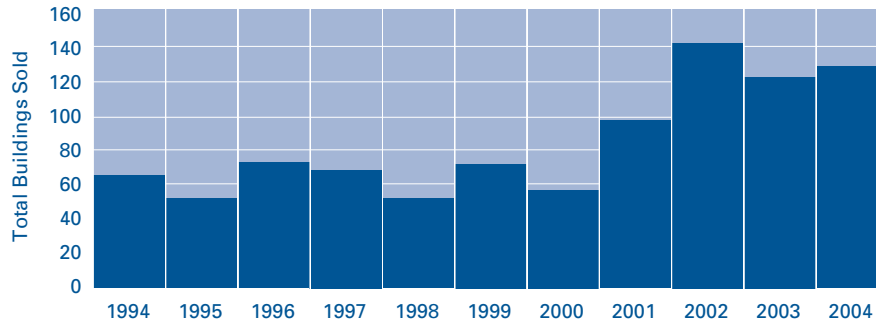
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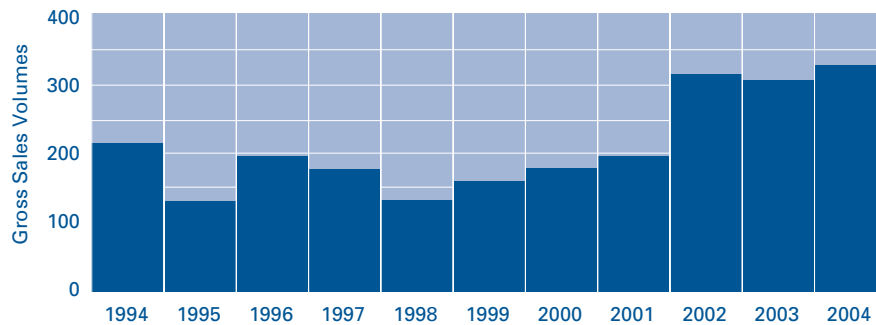
yield for expectation of capital gains. Today, due to low interest rates, investors want to buy yield because they can achieve, in most cases, positive leverage. That is, they can buy an apartment building, finance it to a higher percentage than

they could 10 years ago, and still have positive cash flow. In the present day market, investors are looking to the long term for increase in value. 🏠

BUILDINGS SOLD



DOLLAR VOLUME (in millions)



The data contained herein is believed to be correct at the time of print, but is subject to change. The document is intended as general guidance only. As such, reliance should not be placed on the information set out herein, for the purpose of any particular transaction, nor to replace professional advice on specific matters or individual properties. Macdonald Commercial Real Estate Services Ltd. and its associates cannot accept any liability, whether in negligence or otherwise arising from such use.

Source
David Goodman,
Macdonald Commercial
Real Estate Service Ltd.

THE WORLD ACCORDING TO GOODMAN

British Columbia's economy has finally turned around with a vengeance. Ten years ago, BC's economic growth was on a major decline; we were receiving more in transfer payments than we were paying. Our province was only showing moderate export growth with major trading partners. To make matters worse, domestic demand and consumer spending was weaker as well. The only saving grace was that our exports remained buoyed, sustained by a falling Canadian dollar. A decade later, BC's economy is in an expansion mode. Our exporters are enjoying solid growth in spite

of our high currency. Hopefully, domestic and foreign demand are able to compensate.

Kudos to Gordon Campbell and his team. Without making a political statement, the pain that we've gone through over the last 3 years since the change of government has started to bear fruit. Recently, our Provincial Minister of Finance and our Premier announced a surplus of close to \$2 billion. Mind you, \$1 billion was a wind-fall from the Federal Government, but the ends are more important than the means.

Local Impetus

The 2010 Olympics, our general economy, our favourable tax structure, and a progressive provincial government all seem to have attracted people back to BC. Of course, the housing boom has helped to fuel this growth cycle as well. This must bode well for our industry, as positive net migration generally means lower vacancy; however, with the low interest rate environment, there is no shortage of new housing construction especially in the Lower Mainland. Needless to say, new housing projects, especially in the condo sector, will continue to be offered as a “home ownership dream” to your tenants for a dollar down!

What is really fuelling this economy? A number of people suggest that the frenzy in the construction industry is the catalyst creating thousands of jobs. This housing boom, especially in the multi-family residential sector, isn't showing any signs of slowing down. For example, the buying madness experienced in 2004 saw a 110 suite condo project in Burnaby called Strathmore sell out in 2 weeks without even a stake in the ground. This climate may have abated somewhat, although the market remains robust.

Economy: Heading In The Right Direction

Let us look at the impact of a rising Canadian dollar. The Canadian economy is primarily driven by exports, and with a 79-85 cent dollar, some 400,000 manufacturing jobs could be at risk. We are an exporting nation from both a commodity and a manufacturing standpoint; however, the manufacturing is more prevalent in Quebec and Ontario than in British Columbia. The low Canadian dollar was, to some degree, a subsidy paid to our exporters and a tariff imposed on our importers. As for BC, it is possible that we could suffer from the high dollar. With the Canadian dollar over the last 12 months increasing in value, our lumber and natural resources have become less competitive. On a positive note, Jeff Rubin, Chief Economist at CIBC, recently suggested that with two additional rate hikes in the US, coupled with a rate cut in Canada, the Loonie should weaken as Canadian rates fall below US levels within the next couple of months. Meanwhile, it is fortuitous that the world's appetite for

natural resources is growing by leaps and bounds and commodity prices are at record highs. This all seems to make BC a strong economic engine; yet, with rising interest rates in the US, new housing starts could be impacted, thus, further affecting our softwood lumber industry. Another interesting indicator is the major stock indices. For example, the Dow Jones and the TSE have reached 2.5 year highs, both gaining over that time frame some 38%. This must bode well since the stock markets generally discount future events.

Forecast

In the short term, we think apartment buildings will continue to be in short supply and values will rise especially if net income increases. While prices may level off, values should not drop unless interest rates rise sharply. Older buildings even with location and charm, will continue to lose their competitive edge to newer condos and updated rental buildings. In fact, some of these older, inefficient apartment buildings that are essentially “land value” will come under greater scrutiny by condo developers eager for more sites in established neighbourhoods. Also, let us not forget that the cost of maintaining aging buildings will rise dramatically, led by soaring insurance rates and utility costs. In particular, trades are in short supply and will prove to be more costly. The lack of painters, plumbers, contractors and the like, is a reflection of our expanding economy.

We expect interest rates to remain relatively stable to slightly higher throughout much of 2005. A higher Canadian dollar is hurting our exports, but we believe that our economy, with the help of the 2010 Olympics, the RAV Line expansion and net migration, will allow us to weather any short-term storm. By the way, let us not underestimate the importance of the RAV Line to British Columbia. The cost of that line is over \$1.75 billion dollars with the majority of that going to jobs, land acquisition, construction and the ancillary spin-offs that light rapid transit will develop. Can you believe that most of COPE voted against that? (Yes, that is political).

There's More Than Just Vancouver

The economic surge has impacted Vancouver and its surroundings more

A REVIEW OF THE POSITIVE

2010 Olympics
RAV Line & Convention Centre
Net migration
Booming construction industry
Mining & forestry
Expanding service & high-tech sector

POTENTIAL GREY CLOUDS

2005 provincial election — voter volatility
Minority federal government — perhaps a bonus?
US rapidly increasing twin deficits
Soaring construction costs locally & severe trade shortages
Creeping inflation
US economy slowing down

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www.goodmandreport.com

WHAT'S HOT

Janie Goodman —
Mark's newborn daughter &
David's granddaughter



Upcoming provincial
election —
Liberals need a strong
mandate

Terminal Street —
Are densities increasing?

North Shore and Westside
development sites

China's economy

Positive inter-provincial
migration

East Vancouver, Marpole,
Whalley (Surrey) & Burnaby's
Middlegate (Told ya!)

RAV Line — P3

Gas in Chilliwack:
69.9 cents a litre

WHAT'S NOT

NHL impasse —
what knuckleheads!

Sky rocketing construction costs
squeezing margins

US interest rates to increase

Mad Cow —
can anyone say chicken, please?

Vancouver's exorbitant DCL's
especially in S.E. False Creek

Port of Vancouver congestion

Severe trades shortage
causing construction delays

Vancouver's growing scarcity of
industrial land

Cambie Street, once RAV
excavation begins

Gas in Vancouver:
89.9 cents a litre

than other parts of BC with caps around 4.25 – 6.25%. We see, however, an opportunity for apartment purchases in other cities such as Prince George, Kamloops, Kelowna and Victoria with higher cap rates than in Vancouver. Many of our clients who are prepared to accept a longer gestation

period, are looking at the hinterland as a place to find the right building to "turn". Using skills acquired in managing assets in Vancouver and applying them in areas such as Prince George can lead to some hefty gains. 🏠

SELL OR BUY? THAT IS THE QUESTION

This is the million-dollar question that we don't always seem to answer. We can tell you that selling into strong markets is always better than selling into weak markets. Is that brilliant or what? No question, we are experiencing a seller's market.

One of the real rewards of our profession is meeting so many interesting individuals. When people ask accountants what they do for a living, they generally answer they do accounting for their clients. When people ask financial advisors what they do for a living, they generally say they try to help people best manage their money. Yet, when we're asked, we usually say we are "problem solvers". We will either solve a buyer's problem, that is, successfully negotiate the acquisition on their behalf, or a seller's problem, that is, successfully achieving full market value for their asset. What could be simpler? However, sometimes the process of bringing the buyer and seller together requires someone with the wisdom of King Solomon, as well as an enormous amount of patience. We are blessed. We know we have the latter, but admittedly, we're still working on the former.

If you are a buyer, why are you interested in the multi-family sector? Why would you want the headaches of management, financing and tenants when you could simply call your broker and buy any number of REITs with liquidity and better yields? Here's why:

- Your asset base is yours; thus, you control your own destiny
- Historically lower vacancy rates compared to other real estate classes
- Solid basis for historical appreciation
- Expenses that you control or at a minimum, highly influence

- Turning a pig's ear into a silk purse (added value)
- The ability to easily leverage which can add wealth exponentially
- Relative stability
- 100% of value vs. discounted values for exchange traded REITs

On the other hand, given all the positives to buy, what motivates a seller to sell?

- Tenants, with the corresponding headaches
- Realization of significant appreciation since purchase
- Ineffective caretaker and/or property management companies and the need to take an active daily interest
- Better returns in other asset classes (i.e., commercial properties)
- Inflation not being expressed in revenue or value
- Estate issues
- Age & health
- Trade-up

There are compelling reasons to either sell or buy. No one has the optimum solution, but The Goodman Team, regardless of your choice or direction, will assist you in all aspects of the transaction.

Alternate Investments

In previous newsletters, we or our guest contributors have written about alternative investment vehicles such as income trusts or REITs. Why do these investment vehicles yield more than common stock? The reason is rather simple: The Government of Canada has given you a large gift. The theory of income trusts is that all income

is distributed pre-tax; tax is then paid by the income trust holder as interest, which in turn avoids double taxation. Take A & W Restaurant as an example. They have capitalized themselves as an income trust and the yield is double digits. The question remains: would you own their common stock as your retirement vehicle? If not, why would you own their income trust? Ask that question to your stock market guru.

There are very good conservative companies within the income trust domain that offer secure income streams. You can take your proceeds from a sale and produce a conservative steady stream of income from trust units as an alternative to real estate.

Capital Expenditures on Depreciable Property

Occasionally, a person or corporation buys real estate which at the time of acquisition requires repairs or replacements to put it in suitable condition for use. The Canada Revenue Agency, in its interpretation bulletin

IT 128R, regards such work as capital in nature, even though in ordinary circumstances it would be treated as an expense.

In order to circumvent this problem, the expenditure should be deferred until the next taxation year.

On the flip side, if repairs are made in anticipation of the sale of a property, or as a condition of the sale, they are regarded as capital in nature; however, when repairs would have been made in any event and the sale was negotiated during the course of the repairs, or after their completion, the cost should be classified as though no sale was contemplated.

We advise that you get professional help if you are unsure of your own situation. Or, please feel free to contact Daniel Majewski B.Com, C.A., TEP of Majewski Shaler & Co., Chartered Accountants at: 604.742.2250. [↑](#)

VANCOUVER'S PLANNING DEPARTMENT POLICIES: A PARADOX

The definition of RM-3, the zoning designation for some 650 rental apartment buildings in Kerrisdale, South Granville, and Marpole has not significantly changed in over 35 years. The prescribed density generally allows for a maximum 1.45 FSR (Floor Space Ratio) for frame and 1.85 FSR for high-rises. In most instances, apartment buildings in these areas are 40-65 years old and many are well beyond their economic life as rental apartments. They have become increasingly expensive for owners to maintain and do not provide the amenities more affluent tenants seek. As a result, many apartment owners are typically caught in the dilemma of whether to hold or sell. If they hold, owners are required to invest in an outdated building. If they sell, they must pay approximately 22% - 25% capital gains tax and recapture, if any.

With the strong demand for both condo and rental multi-family housing, it seems reasonable for property owners in these areas to ask why the City's planning dept has not reviewed the density guidelines in

over a generation. The emerging Vancouver communities of False Creek and Downtown South, the new media darlings, seem to be on the receiving end of the planning department's focus, including significantly higher densities while reducing our industrial land base.

At the recent Housing Outlook Conference put on by CMHC, UBC's Professor Michael Goldberg chastised city planners for their timidity and lack of insight with respect to the established neighbourhoods. This is not surprising when one considers the planning department's lack of density initiatives, particularly around the RAV station at Broadway and Commercial. Since the RAV line to Richmond was announced, the silence pertaining to densification is deafening. Will the city wait for the RAV line to be finished and then densify, or start planning now?

The development industry is presently encountering severe shortages of viable development sites and in some instances, paying over \$135 per sq. ft. buildable for prime Westside land. The City needs to

News Flash

VACANCIES FALL

As reported by CMHC in their Fall 2004 rental survey, vacancies are falling and rents are increasing. There is no doubt this reduction in vacancy is from net migration and to some lesser degree a sharp increase in housing prices, which in turn, is affecting "affordability". Rental units vacant a year ago are now being occupied by new arrivals in BC, many of whom are seeking to buy a condo in the near future.

This is an interesting occurrence, but we are not convinced it is a trend. According to CMHC, approximately 40% of suites within new condo projects have been pre-sold to investors, particularly in Vancouver's Downtown District. Once these thousands of units come on stream with their state-of-the-art accommodations, they will be available at reasonable rent levels to your tenants. This may be "man bites dog."

Meanwhile, our clients have confirmed that vacancies have declined. We recommend that upon any vacancies, upgrade if necessary and test the market by increasing your rents. However, don't be surprised if by the 4th Quarter of 2005 or the 1st Quarter of 2006, vacancies start to increase again.

SPREADING THE WORD

On the subject of the Vancouver Lower Mainland multi-family apartment market, we've been privileged of late to be invited as a keynote speaker for the following events:

Lambda Alpha International, 2005, an honorary land economics society at the Vancouver Club. Talk: *Vancouver's Planning Department: A Paradox*

Real Estate Outlook, 2005, hosted by Ozzie Jurock at the Renaissance Hotel and a seminar at SFU. Talk: *Risks & Rewards of Investing in Multi-family Real Estate*

The Vancouver Real Estate Forum, 2004, held at the Hyatt Regency Hotel. Talk: *Trends, Opportunities and Risks in Multi-family Markets.*

BC Apartment Owners & Managers Association, 2003, held at the Hyatt Regency Hotel. Talk: *An Effective Strategy to Realize your Building's Full Potential in a Competitive Rental Market.*

Urban Development Institute, 2002, held at Pan Pacific Hotel. Talk: *Commercial Real Estate: Is It Still A Golden Time To Invest?*

If you would like The Goodman Team to address your business group about the current climate in the apartment industry, please give us a call at: 604.714.4778.

recognize that as the "highest and best" use of all land parcels evolve, it has an obligation to both its citizens and property owners to re-visit these strategic RM-3 areas. The City should provide for a liberalization of densities and building forms, including higher height limits (say, 16 floors). This is particularly important if single-family neighbourhoods continue to fight change by rejecting re-zoning applications by the development industry.

An example of an area that requires an extreme makeover is Marpole, especially

re-development of the respective neighbourhoods. Reasonable Development Cost Levies (DCL's) will help pay for the RAV stations and infrastructure.

There is also a downside to increasing density. Over the past year, the City of Vancouver has proposed a re-zoning of the former industrial area along the south side of False Creek. After months of meetings and "discussion", city planners recently informed the private land owners that the City will propose increasing the density up to 3.5 FSR north of 2nd Avenue (total area



Typical RM-3 zoned neighborhood

with the RAV line about to commence construction as well as the overwhelming economic presence and proximity to YVR. Since Vancouver was founded, it seems that Marpole has been seriously neglected often at the expense of more upscale Westside neighbourhoods. Land-use policies with respect to Marpole, South Granville and Kerrisdale should encourage the "highest and best use" of these RM-3 lands by increasing both densities and heights. A significant increase in FSR, for example, would dramatically re-shape South Vancouver, decidedly for the better. With YVR being so dominant, Marpole could become the next False Creek. Wake up Vancouver!

Consider the proposed new stations located along the RAV line. Planning should commence immediately to identify and announce specific new zoning for up to 3 to 5 blocks surrounding the new stations. Density in these areas should be least at least 1.5 FSR at the outer reaches and increase to 5 FSR to encourage the

approximately 2 million sq. ft. and allowing up to 12 to 15 stories in several locations). The City announced they will be seeking DCL's of \$26 per gross buildable square foot. This will result in each property owner paying the City of Vancouver approximately \$2.6M for the right to build 100,000 sq. ft. gross area of building (approx. 115 suites). Unfortunately, this punitive new assess-

ment is in addition to all other City fees and charges. It appears their goal is to raise over \$50M in DCL's from the private property owners. These funds will be used to pay for the total cost of the clean up and part of the infrastructure of City owned lands north of 1st Avenue for the new Olympic Village site as well as their "Principles of Sustainable Development". Guess who really ends up paying for it?

In summary, all levels of government require vision with respect to long-term re-development that is both sustainable and renewable. This means we must encourage property owners to continually consider the highest and best use of their properties and encourage re-development based on market demand. The federal government can introduce tax amendments to allow the necessary changes to occur. A simple roll over provision would work. 🏠

THE GOODMAN TEAM'S COMPETITIVE EDGE

Over the past two years, The Goodman Team has enjoyed unprecedented success selling over \$70,000,000 worth of property, consisting of 36 apartment buildings, 7 multi-family development sites and a major shopping centre.

Once a client has made the business decision to sell, their requirements are:

- The sale is to be handled professionally, in an efficient and expeditious manner
- A maximum exposure to qualified parties
- To achieve a top market price

Traditionally, the few apartment specialists, including The Goodman Team, have typically undertaken the following marketing steps upon listing a client's property:

- Media advertising (i.e., *The Vancouver Sun & The Western Investor*)
- Listing MLS/Exclusive
- Direct mailing of brochures
- Personally contacting prospects

We've observed, however, that over the past few years, the "art of the sale" as we know it has changed rather dramatically. With the advent of the Internet, clients expect, and in our opinion, are entitled to their agents possessing additional cutting edge techniques for marketing their property.

There are compelling reasons why we ask to be considered as your listing agents if you are contemplating the sale of your building. We are different and we are better! Here are some reasons why this is true:

The Portal: www.goodmanreport.com

Designed specifically for the apartment industry, goodmanreport.com is regarded by some as not only the best in BC, but among the top websites of its kind in North America.

If you haven't yet, please take a moment to consider the reasons why in only 16 months, we acquired over 4,000 subscribers made up of local apartment owners, investors (many worldwide), Vancouver's leading CA's, lawyers, appraisers, lenders

and the media. Our site is updated daily with new listings, sales, comprehensive statistical data and articles from industry experts.

Recognized for its attention to detail and refreshing transparency, our website receives thousands of visitors daily searching for multi-family properties and development sites. It has become the portal to Vancouver's Lower Mainland rental apartment industry.

Once your property is listed with The Goodmans at Macdonald Commercial, it will reach a target audience of 4,000 subscribers within 48 hours. Just imagine 4,000 pairs of eyes taking a virtual tour through your building! This marketing vehicle is unprecedented for our industry and provides investors with all the necessary ingredients needed to make an informed business decision regarding your real estate.

THE DEFICIT-RIDDEN UNITED STATES

A wise man once said, "There is no bubble until we hear it pop."

The Democrats fought the US election on that issue and lost. The Republicans may not get off that easy next time around. The issue of job loss and inflation is the big unknown. The US trade deficit monthly figures announced for December were an overwhelming \$60 billion, that's right \$60,000,000,000. The IMF has warned the US that these numbers are simply not sustainable. By some estimates, the US has lost over 2,000,000 jobs to China over the past 5 years, meaning two million Americans are either unemployed or underemployed; thus, the US has exported jobs and imported consumer goods. Can you say, "Welcome to WalMart?" That's where many \$20 per hour factory workers ended up.

This exporting of jobs is having a profound impact on the US economy and especially on their dollar. The trade deficit in the United States is eroding their currency. Add to the skyrocketing trade deficit, the cost of the Iraq war. Also, the fall in the US greenback has been, for the most part, driving our Canadian dollar up. Many experts warn that unless controlled, this current fiscal road map may lead to long-term economic hardship; yet, on a more positive note, USA Today reports that 55 leading US economists forecast steady growth for 2005. They anticipate the Feds will boost their target short-term interest rates to 4% by 2006. This is an increase of 1.75% from current levels and will definitely impact US housing, which will further affect our lumber exports.

The screenshot displays the Goodman Report website interface. At the top, it features the logo and navigation options. Below the header, there are sections for 'expert advice', 'tangible results', and 'timely information'. The main content area is titled 'LISTINGS & SALES - Current listings' and contains a grid of property listings. Each listing includes a small image, a title, and a brief description of the property. The listings are categorized into 'Apartment investments', 'Development site investments', and 'Retail and office investments'. The website also includes a sidebar with navigation links and a footer with contact information and a Macdonald Commercial logo.

Sample of www.goodmanreport.com

"If Patrick Henry thought that taxation without representation was bad, he should see how bad it is with representation."

- The Old Farmer's Almanac

Christie's Great Estates

The Goodman Team is delighted to announce that *select* apartment owners desirous of selling their building(s) now have an absolutely unparalleled opportunity to expose their gilt-edge property among the world's investor elite.

How, you ask? For those unique and selective situations, The Goodman Team is prepared to include your apartment listing at *no extra charge* in the famous Christie's Great Estates Magazine section which is a wholly owned subsidiary of Christie's International. It is the largest international network of real estate brokers specializing in the marketing and sale of important properties. As a Canadian affiliate of Christie's Auction House, Macdonald Commercial and The Goodman Team are ecstatic about being able to bring this exclusive branded service to their valued Vancouver clientele.

The Christie's Great Estates affiliate network includes 650 offices and 15,000 estate agents, providing both national and international market expertise in 17 countries. In addition, the combined annual sales volume of all affiliated real estate companies is approximately \$75 billion.

Properties are showcased four times a year in Christie's Great Estates magazine. This award-winning magazine enjoys a readership of more than 280,000, reaching a worldwide audience of affluent potential investors.

Properties are also featured in a comprehensive international brochure distribution program, in Christie's Magazine, and on the Christie's Real Estate web site:

www.christiesgreatestates.com.

Exclusive Affiliate of
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GREAT ESTATES

The Goodman Report Newsletter: For Apartment Owners

Since 1983, The Goodman Report has been geared to help you make informed decisions relating to the multi-family rental market in Vancouver's Lower Mainland. As you are probably aware by now, we are not ones to tell you that the world is always wonderful and that prices will only rise. As for those of you who have asked us to evaluate their buildings, our valuations may not necessarily be the highest of other realtors. The Goodman Team does not provide dreams or wishes; rather, we provide factual and empirical data to formulate value. At the end of the day, the acid test is what your real estate sells for. We are very accurate in that regard. Often, when a competing realtor receives a listing that we were asked to evaluate, the sale price is ultimately dead on to our numbers. Sixty percent of our sales are consummated without the involvement of outside agents, while over ninety-five percent of our listings are successfully sold. This speaks volumes as to our ability to effectively access investors and market your asset. It is easy to list, but takes expertise to sell!

The Goodman Report Newsletter and our website www.goodmanreport.com, combine to provide depth and breadth you will not find anywhere else in the industry. Examine our renowned timely reports for clarifying statistics and overviews on the current status of the market and emerging trends. The added benefit of our new partnership with Christie's Great Estates, further demonstrates our ability to bring additional and powerful resources to the sales process. The Goodman Team's mission is to keep you apprised of the many facets of our industry through timely market intelligence. Furthermore, it is our commitment to our clients who are selling, to acquire the optimum sale price that best reflects the exceptional market environment we are presently experiencing.

Finally, our province has become a have-province again. Let us hope that the voters of BC do not forget where we were just 4 years ago.

P.S. Please drop by our booth between 4:30 pm – 7:00 pm at the upcoming BCAOMA Trade Show to be held at the Hyatt Regency on Friday, March 4, 2005.