The Goodman Report

FOR APARTMENT OWNERS

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NEWS AND VIEWS FROM
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An Industry In Change

Introduction

The new millennium has come and gone, with "Y2K" appearing to be nothing more than excessive hype and media madness, and as such will go down as a mere footnote. However, what should prove to be of great historical significance, coinciding with the dawn of the 21st century is the emergence of the *new economy*. Much like the industrial revolution, the dot.com, wireless and biotech revolution will be the driving force for an unimaginable shift away from the *old economy*. It has been suggested that 50% of the jobs our young people will be working at in 10 years from now do not exist today, while companies around the world expect e-business to quadruple over the next 2 years. How will this revolution impact on your industry? The answer is yet to unfold, although there are hints of what may lie ahead. For example, I'm sure many of you have been asked by prospective tenants, "is your building wired for the internet?"

Not only is the population getting older, but so are Vancouver's apartment buildings. Compounding these realities is the concern that the profile of traditional apartment buyers is undergoing dramatic change. My experience indicates an almost total absence of local younger first-time buyers and/or Asian investors. Today's buyers of apartment buildings are individuals, companies, or institutions who hold one or more buildings in their portfolios enabling them to achieve improved economies of scale. The young real estate entrepreneurs who are developing sites and selling strata units are not in it for the long term, as they are looking for more immediate gains. High-rise condominium development for example, can by very profitable - profit alone can be \$25 to \$30/ft^2. Build 200,000 ft^2 - profit potential is \$5-6 million in 18 to 24 months.

> ***"Compounding these realities is the concern that the profile of traditional apartment buyers is undergoing dramatic change"***

Demographics cannot be ignored. Canada's population is getting older and younger people are having fewer children. Many of our upwardly mobile youth, who at one time may have been one of your tenants, are now buying condominiums or renting unsold high-rise condos wired for *two-way technology*; hence, existing rental stock will be forced to adapt. Furthermore, the baby boomers (yes, your children) are approaching retirement years and will be inheriting a vast amount of wealth (yes, your wealth) estimated to be somewhere in the neighbourhood of \$50 billion in Canada alone.

Recently an ex-high profile real estate investor commented: "The worst internet deal is better than the best real estate deal." Perhaps that is an oversimplification in this era of wild speculation but a new paradigm has appeared, or is in the process of appearing. Young up-and-coming professionals are investing in dot.com stocks, making fortunes on IPOs, and leaving their parents to "fool around" with long-term real estate. Can you blame them when headlines scream "28 year-old billionaire"? (Province, 3/3/2000)

Market Overview

This historical overview of activity in the lower mainland's multifamily rental housing market may shed light on the present day market, and hopefully provide you with some insight into future market trends.

Investors' once-voracious appetite for rental buildings has waned considerably since 1992. We have experienced a slow but steady flight of capital from this sector. While the supply side (buildings offered for sale), has remained relatively constant, demand for the once "darling child of real estate" has fallen off sharply. (See 8-year summary, centre page.) We have seen the gap between high expectations from sellers and lower expectations from buyers actually spreading. Recently we have found that in many instances this gap simply cannot be bridged, as evidenced by today's reduced sales volumes. Simply put, liquidity has left our market.

The cumulative effect – our rental industry under siege – can be best demonstrated by the following statistics:

	1992	1999	Variance
Buildings sold	134	71	-47%
Suites sold	4287	1974	-54%
Total dollar	$309,149,000	$152,816,000	-50%
Average price per unit	$72,113	$77,414	+7.3%

Although there has been some growth in prices since 1992, the average annual increase (compounded) from 1992 to 1999 has been a dismal 0.89%, far less than the rate of inflation and far less than the average rate paid by Canada Savings Bonds. So much for capital appreciation! In fact, let's examine some data for various buildings purchased as far back as 1989, and resold 1998/1999:

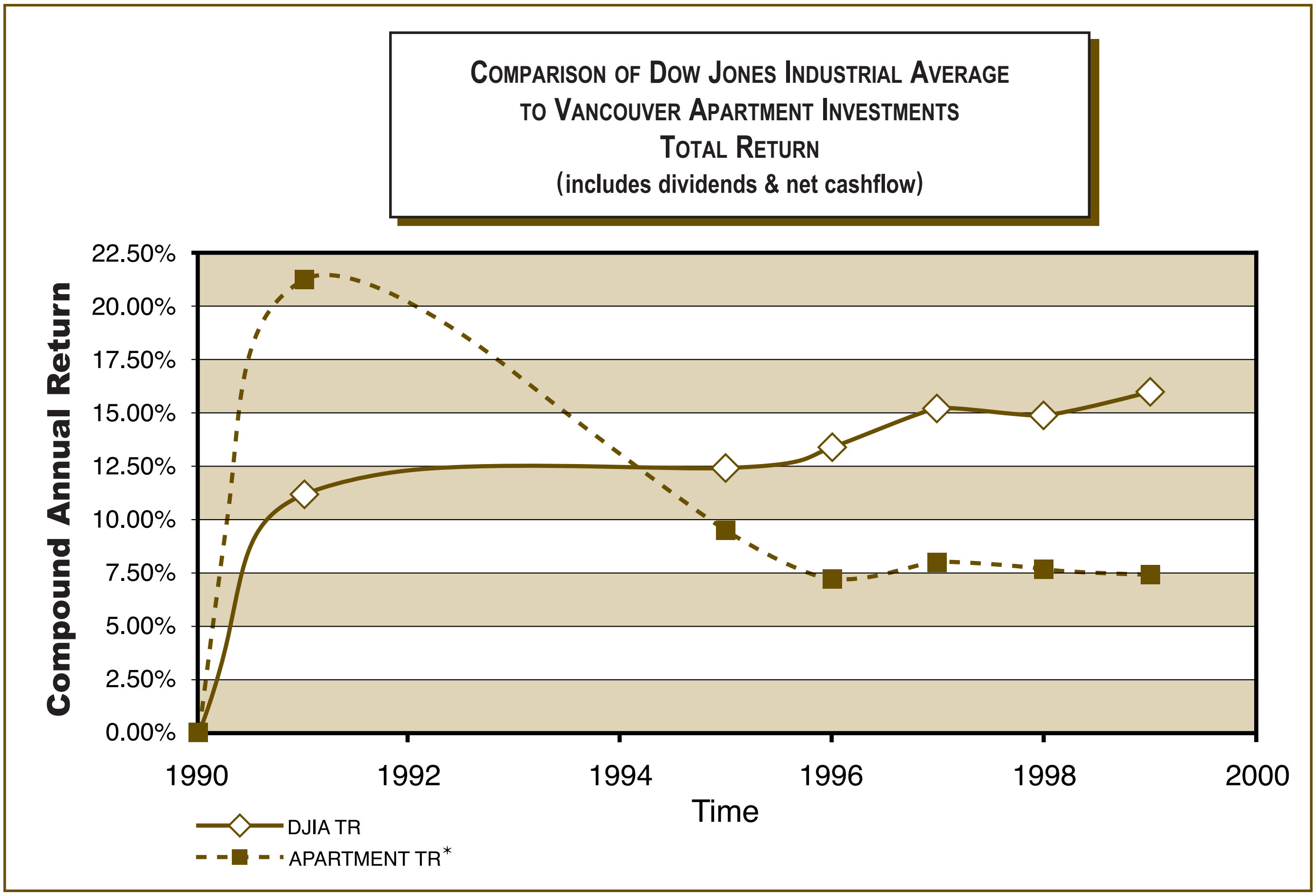
APARTMENT SALES COMPARISON

Address	Suites	Recent Sale Date	*Recent Sale Price	Previous Sale Date	*Previous Sale Price	Variance	Current Assessed Value
509 Tenth (N.W.)	14	July 99	$720,000	Apr 97	$790,000	-9%	$798,000
405 Tenth (N.W.)	28	Aug 99	1,400,000	Apr 93	1,590,000	-12%	1,366,000
301 Carnarvon (N.W.)	15	Sept 98	1,198,000	May 97	1,173,000	+0.2%	1,132,000
2357 Lonsdale (N.V.)	9	Apr 98	835,000	Nov 94	860,000	-2.9%	821,000
4769 Hazel (Bby.)	138	Nov 98	12,050,000	May 94	11,800,000	+2.1%	11,628,000
5170 Hastings (Bby.)	12	Sept 99	746,000	Nov 93	760,000	-1.8%	729,000
1030 Harwood (Van.)	30	Sept 99	2,319,000	July 95	2,373,000	-2.3%	2,354,000
1137 W.10th Ave (Van.)	11	Sept 99	1,100,000	Mar 93	1,055,000	+4.2%	1,059,000
8680 Cartier (Van.)	10	June 99	870,000	June 98	880,000	-1.1%	772,000
2035 W.5th Ave (Van.)	8	Mar 98	900,000	Aug 95	978,000	-7.9%	772,000
2222 Cornwall (Van.)	10	June 99	1,185,000	Mar 97	1,200,000	-1.2%	1,062,000
1970 W.41st Ave (Van.)	30	Aug 98	2,660,000	1989	2,494,000	+6.6%	2,808,000
25 E.12th Ave (Van.)	26	Apr 98	1,482,000	1992	1,500,000	-1.2%	1,518,000
3122 Quebec (Van.)	13	Jan 99	798,000	Sept 89	872,000	-8.5%	806,000
2130 Cambridge (Van.)	23	Mar 99	1,310,000	Dec 92	1,600,000	-18.1%	1,325,000

Source: Macdonald Commercial, David Goodman
*without closing costs factored in

Opportunity Lost

I suggested in the introduction that rates of return for properties prior to the 90s have been relatively good. An interesting analysis is to juxtapose a sum of money invested in 1990 in a rental apartment building (assumes an all-cash purchase) in Vancouver with the same money invested in an Index Fund based on the Dow Jones Industrial Average. From 1991 on, even factoring in net rental revenue versus the Dow Jones' lower rate of dividends, the securities investment has been far better. In fact, someone who sold real estate assets in 1991 and put the proceeds into various blue-chip equity investments would be much further ahead today. By the first quarter of 1994, the apartment rate of return had fallen below that of the Dow Jones Industrial Average, and today the difference is quite significant.



Source: Macdonald Commercial, David Goodman
*Assumes 11 suiter in Kitsilano

What does this all mean? There is a whole world out there to invest in. Diversification into other investment vehicles should be explored, as there are many factors working against the rental industry in our province. Just to name a few:

- Rent review - BC government red tape and other intrusive policies
- Growing vacancies/rents flat - the by-product of a troubled British Columbia economy as well as the 90s low inflation
- Aging stock - average age 35 years, and as suggested earlier, massive updating required
- Static prices - no capital appreciation since 1992 - investors are *not buying futures*
- Asia's view of British Columbia - negative perception (although this could change rapidly if the Taiwan/China war of words becomes more threatening)
- Restrictive federal tax policies - still high capital gain with no rollover provision for capital assets and foreign-asset disclosure rules
- Other investment alternatives - the stock market, real estate opportunities in Calgary, Toronto, Montreal and especially the US
- Commercial & industrial real estate opportunities in Vancouver

Looking at the returns that apartment buildings are providing today, it appears that in some cases assets are being vastly under utilized.

In summary, *asset allocation* is not only the vogue buzz word at the start of the new millennium, but a fact of life. It is important that assets be re-deployed when they are not generating adequate rates of return. Think about it - then call me.

Taxing Issues

The typical apartment owner who purchased in the 80s or prior saw very strong returns, especially up to about 1991. Their investment generated cash flow, a hedge against inflation, and in many cases very large paper gains. Unfortunately, a by-product of the capital appreciation is a sizeable tax liability even with the recent budget. This is the dilemma that many of you face - the desire to possibly divest of some or all of your buildings, but reluctant to incur such a sizeable cost of disposition. I wish I had an easy answer for you, but I will offer some thoughts with regard to the burden of taxation. (Though partially discussed in my July 1997 newsletter, this is worth repeating.)

• Move to Alberta in the year you sell (if your apartment is owned personally, incur it at the lowest marginal tax rate).

• Even if the Alberta landscape is too snowy, there may be a way to move your asset to Alberta so that you can 'turn the tables' on the tax man - thanks to Ralph Klein. It's a very sophisticated technique utilizing intervivos trust . As a side benefit, Alberta has for all practical purposes removed probate fees. Their tax rates save an additional 8%.

• Estate freeze in British Columbia - here, you freeze the value of your estate today and transfer all future growth to your children, so that future growth will not have to be realized until such time as your children sell or they pass away. (In fact, there are ways to spread tax over the next few years by way of redemption of preferred shares).

• For older properties you may wish to investigate whether the land value is greater than the net building value after taking into consideration the terminal loss provisions of the Income Tax Act. This may allow you to dispose of your property without paying recapture.

Each one of the above could be a newsletter on its own, but I will leave details to your financial advisor or accountant.

Budget News

Paul Martin's February federal budget has been so thoroughly analyzed and discussed in the media that I'm not going to review it at any great length here. There are however, two points worth making:

First, you should recognize that the inclusion-rate change is very significant. Let's assume your real estate has a $2,000,000 capital gain. Ignoring CCA recapture prior to the budget, you would have expected to pay (in BC) approximately $750,000 of tax, or 37.5% of the gain. With the changes, the tax is reduced to $666,667, or 33.3% of the gain. Although from a quantum standpoint the tax savings is only 4.2 percentage points, keep in mind that to earn and save that 4.2%, you have to earn 8.4% - so the change is significant, especially if high capital gains have deterred you from selling your building.

Second, remember that while the budget speech is a mass-media circus, the real impact of the budget will not become apparent until it is implemented by motions enacted by Ways & Means. These amendments are scrutinized carefully (and much more quietly) by financial professionals. Should anything come up that is likely to affect you, you can expect a call or letter from your accountant - but keep your own eyes and ears open.

Lower Mainland Apartment Sales Activity Comparing 1992 Through 1999

	1992				1993			
	Bldgs Sold	Total Units	Total $	Avg. $/Unit	Bldgs Sold	Total Units	Total $	Avg. $/Unit
Vancouver								
Eastside	25	511	$31,514,000	$61,671	19	406	$24,727,000	$60,904
Kerrisdale	4	139	15,450,000	111,151	5	162	20,425,000	126,080
Kitsilano	7	83	8,470,000	102,048	5	48	5,406,000	112,625
South Granville	7	103	10,187,000	98,902	9	197	17,899,000	90,858
Marpole	8	178	13,874,000	77,944	5	93	7,045,000	75,753
West End	17	1,012	91,618,000	90,532	14	724	63,640,000	87,901
Burnaby	14	426	26,716,000	62,713	13	526	35,914,000	68,278
Coquitlam	3	88	5,160,000	58,636	4	299	15,336,000	51,291
Delta	1	25	1,675,000	67,000	-	-	-	-
New Westminster	20	697	40,031,000	57,433	16	402	25,050,000	62,313
North Vancouver	19	347	29,470,000	84,927	15	549	45,745,000	83,324
Port Coquitlam	2	19	1,233,000	64,894	1	19	1,225,000	64,474
Richmond	-	-	-	-	-	-	-	-
West Vancouver	-	-	-	-	1	163	28,800,000	176,687
White Rock	4	96	6,626,000	69,021	2	23	1,523,000	66,217
Surrey	3	563	27,125,000	48,179	-	-	-	-
Totals	**134**	**4,287**	**$309,149,000**	**$72,113**	**109**	**3,611**	**$292,735,000**	**$81,068**

	1994				1995			
Vancouver								
Eastside	8	199	$11,062,000	$55,580	8	134	$8,646,000	$64,522
Kerrisdale	3	141	16,948,000	120,198	1	9	1,046,000	116,222
Kitsilano	3	64	6,436,000	100,460	7	102	10,843,000	106,304
South Granville	4	42	4,421,000	105,260	6	80	8,612,000	107,650
Marpole	3	73	5,940,000	81,370	7	136	10,705,000	78,713
West End	10	556	56,660,000	101,910	10	448	42,459,800	94,776
Burnaby	6	338	27,150,000	80,330	3	230	16,897,000	73,465
Coquitlam	-	-	-	-	-	-	-	-
Delta	-	-	-	-	1	33	2,050,000	62,121
New Westminster	9	172	9,909,000	57,610	8	350	20,517,000	58,620
North Vancouver	8	243	18,923,000	77,872	4	79	6,962,000	88,127
Port Coquitlam	1	7	560,000	80,000	-	-	-	-
Richmond	4	385	29,090,000	75,360	-	-	-	-
West Vancouver	1	37	6,500,000	175,675	-	-	-	-
White Rock	3	105	7,050,000	67,142	1	20	1,280,000	64,000
Surrey	1	79	3,768,400	47,701	-	-	-	-
Totals	**64**	**2,441**	**$204,417,400**	**$83,743**	**56**	**1,621**	**$130,017,800**	**$80,208**

Add Value & Maximize Return

The majority of buildings in the lower mainland are well cared for. Yet, there are still owners who do not understand that annual depreciation expenses are real expenses, and as a result carry out needed repairs only when absolutely forced to. The painful part of course is the out-of-pocket cost. Owners though should recognize that upgrades pay big dividends with increased net operating income immediately adding capital value to the asset.

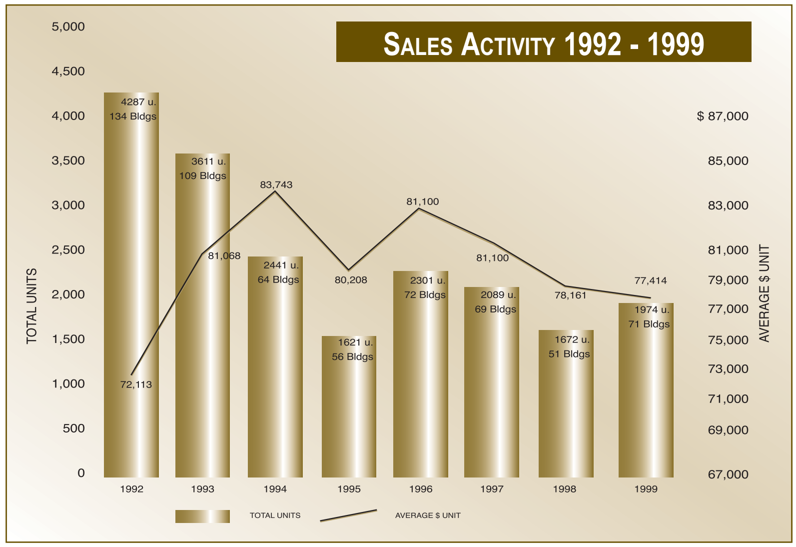
An example: an older West Side/West End building, with worn carpets, green kitchen appliances, chipped arborite and pink bathroom fixtures, would expect about $1.00-1.20/ft^2/month. For a one-bedroom of 580 ft^2, that's approximately $580-695/month. Renovated with new appliances, kitchens, bathrooms and flooring, the same building could command $1.40-$1.60/ft^2/month - an increase in rent of close to 40%. One needn't be a rocket scientist to see what that would do to your capitalized value, assuming a renovated building in a good location could command a 6-7% cap rate upon sale.

How can I convince you that by not putting back, you are actually taking away?

Upgrades and renovations should include appliances, carpets, flooring, cabinetry, landings and hallways, elevator cars and lobbies. Don't forget the furnaces, hot water tanks and windows - fuel efficiency can save expenses again driving up the return on investment. A coat of paint on the exterior wouldn't hurt either. Refinance to do it, *who knows you may even qualify for some grants*, i.e. B.C. Hydro Power Smart.

Shrewd investors today, specifically look for properties that are in good locations but are not renovated. As an owner why leave valuable dollars on the table at sale time, while receiving less than market rents? Instead, *maximize your return on investment* by maintaining this valuable asset.

Call me. I can help you determine the necessary upgrades, and set in place a realistic marketing plan. Together we can add hundreds of thousands of dollars to the fair market value of your asset and ensure that you get that fair price.



Source, Macdonald Commercial, David Goodman

Lower Mainland Apartment Sales Activity Comparing 1992 Through 1999

	1996				1997			
	Bldgs Sold	Total Units	Total $	Avg. $/Unit	Bldgs Sold	Total Units	Total $	Avg. $/Unit
Vancouver								
Eastside	5	66	$4,933,500	$74,750	13	255	$16,240,000	$63,686
Kerrisdale	2	68	7,898,000	116,147	3	332	43,080,000	129,759
Kitsilano	6	97	11,048,000	113,897	7	95	9,804,500	103,205
South Granville	8	126	13,120,000	104,127	8	116	14,417,000	124,284
Marpole	8	109	9,561,000	87,716	6	61	4,846,000	79,442
West End	9	349	35,190,000	100,831	6	160	15,581,000	97,381
Burnaby	16	684	54,434,800	79,583	8	255	18,147,000	71,164
Coquitlam	2	44	2,763,000	62,795	2	356	18,475,000	51,896
Delta	-	-	-	-	-	-	-	-
New Westminster	4	108	5,775,000	53,472	8	170	10,661,000	62,711
North Vancouver	8	180	14,309,000	79,490	4	66	5,722,000	86,697
Port Coquitlam	1	19	1,238,000	65,158	1	9	600,000	66,667
Richmond	3	451	30,905,698	68,527	-	-	-	-
West Vancouver	-	-	-	-	-	-	-	-
White Rock	-	-	-	-	1	9	645,000	71,667
Surrey	-	-	-	-	2	205	11,200,000	54,634
Totals	**72**	**2,301**	**$191,175,998**	**$83,084**	**69**	**2,089**	**$169,418,500**	**$81,100**

	1998				1999			
Vancouver								
Eastside	7	139	$9,539,500	$68,629	11	150	$9,326,000	$62,173
Kerrisdale	3	216	21,260,000	98,425	1	44	5,400,000	122,700
Kitsilano	6	48	5,963,000	124,229	6	156	19,468,627	124,798
South Granville	1	10	1,130,000	113,000	5	59	6,910,000	117,118
Marpole	5	59	4,416,500	74,855	6	67	4,676,000	69,791
West End	4	97	7,435,000	76,649	12	568	49,570,000	87,271
Burnaby	7	572	45,384,000	79,342	14	306	21,440,200	70,066
Coquitlam	2	183	10,920,000	59,672	5	215	13,216,000	62,794
Delta	1	17	1,175,000	69,117	1	16	1,025,000	64,602
New Westminster	7	141	9,020,000	63,971	6	168	10,484,320	62,406
North Vancouver	5	101	7,741,000	76,643	3	21	1,800,000	85,714
Port Coquitlam	-	-	-	-	-	-	-	-
Richmond	1	42	2,902,000	69,095	-	-	-	-
West Vancouver	-	-	-	-	-	-	-	-
White Rock	1	24	2,250,000	93,750	-	-	-	-
Surrey	1	23	1,550,000	67,391	1	204	9,500,000	46,569
Totals	**51**	**1,672**	**$130,686,000**	**$78,161**	**71**	**1,974**	**$152,816,147**	**$77,414**

Prepared By: **David Goodman**, "*The Apartment and Investment Specialist*"

MACDONALD Commercial

How should I prepare my building for sale?

This question is often asked of me. The most obvious answer is to carry out upgrades - especially the visual ones. In an excerpt from my December, 1996 Newsletter, "Upgrade for the Sale - The Proof is in the Pudding", I provided an example of the benefits of preparing your building in anticipation of a sale. More recently however, I have come to believe that an even better strategy is to have your building inspected by a professional, prior to signing a listing or receiving a market proposal. What you are effectively doing is anticipating every concern that a potential purchaser will ultimately discover; that is, uncovering the warts and blisters before signing the offer to purchase. Once you have the complete picture of your building, you can take a step back, become objective rather than subjective, and determine what remedial work should be carried out in anticipation of a "Subject to an Inspection" clause. Isn't that a better strategy than a collapsed deal? What a wonderful method of achieving top dollar in a short time frame.

Vendor Take Back

Okay, so you have made the momentous business decision to sell.... now what to do with the money? The stock market is volatile; bank rates are only 6-61/2% and you're tired of the day-to-day rental business. Why not consider carrying a first mortgage on your own building at 7.5% for five years? You would be changing a real estate risk into a guaranteed real estate return with superior yield, to some degree risk-free as you know your building. Also, there is a bonus. By structuring a vendor take-back you may spread your gain over 5 years, thus taking advantage of Mr. Martin's promise of declining tax rates.

What's Hot, What's Not?

What's Hot

- Concrete high-rises both residential and office (the Class 'A' office vacancy factor in downtown Vancouver is less than 4%)
- Long-term care facilities, i.e., independent living
- Dot.com stocks - especially IPOs (Initial Public Offerings) Can anyone explain why Amazon, never having earned a profit, has a greater market capitalization than Chrysler Corporation?
- Industrial high-tech parks
- Pssst! Conversions are still alive and well.
- Canadian Alliance Leadership Race
- **Would You Believe – The Canucks?**

What's Not

- Used ferries
- BC's mining industry - what a disaster.
- NDP supporters
- Government job creation
- Health care mess

What's Both

- Tension between Taiwan and China
- Higher interest rates
- Higher oil prices (highly inflationary - therefore higher real estate prices?)

Property Management Tip

The most important tip I can give you is to hire professional property management. Owning an apartment is more than an investment. It is a business requiring very specific skills. McDonald Commercial manages a number of apartment buildings in the Lower Mainland. It has been my experience over 18 years that effective property management adds value, rather than taking money out of your pocket. It's not just that most buyers look favourably on a professionally managed property, but they are increasingly beginning to recognize the *business advantage*.

With property management's overall knowledge of the rental market, sophisticated software to track expenses, hands-on control of costs and bulk purchasing power, owners in most cases achieve an improved bottom line and rediscover some of the finer things in life.

Recently, two long-term clients in their 70s met with our Property Management Division. They owned choice lower mainland buildings but had no immediate intention to sell. Our clients understandably felt a bit apprehensive about "someone else" overseeing their buildings - after all, they had done an adequate job of management for over 35 or 40 years. Nonetheless, they were intrigued by the advantages of professional property management and wanted to know how they stood to gain. We undertook to provide to our clients both general and specific examples regarding the approach and methodology we used and how <u>we could earn them money</u>.

After a thorough review I am pleased to say our clients gave our Property Management Division the go-ahead. They now have a worry-free investment and acknowledge that their travel plans, personal health and family are more important than fixing a hallway leak, recarpeting suite 302, or replacing a hot-water tank.

Recent Speeches

Of late, I have had the honour to address two prominent organizations on matters related to our industry.

The first speech, on October 14, 1999, to the Urban Development Institute was "Opportunities in Rental Housing: is the market ripe for rentals?" Specifically, I discussed the viability and conditions required for today's developers to undertake new multifamily rental projects.

The second speech, on January 18, 2000, to the Property Tax Association dealt with the fairness of apartment assessments and a historical market overview.

Should you be interested in receiving a copy of either speech, contact me at 714-4778 or e-mail me at: dgoodman@macrealty.com

Conclusion

It is my opinion that only when our province finally gets its economic and political house in order, the resale apartment market will begin to generate serious new investment.There is clear evidence however, that with world commodity prices firming, the development industry more upbeat, and the high-tech, tourist and film industries enjoying prosperous times, that BCs financial fortunes are slowly improving.

For those of you who have been long time apartment owners and, regardless of how other investment vehicles have performed, your buildings have provided a secure hands-on investment you could be proud of.

Since 1982 I have been delighted to keep my readers abreast of the apartment scene as it applies to the lower mainland. I hope you enjoy my latest newsletter and invite your comments.

REPORTED APARTMENT SALES IN THE LOWER MAINLAND BY AREA (FROM JANUARY 1999 TO DECEMBER 1999)

Prepared by

DAVID GOODMAN

** Denotes Hi Rise, all other buildings are Frame*

VANCOUVER (East Side)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
360 E. 15th	10	$730,000	$73,000
3122 Quebec	13	798,000	61,385
356 E. 6th	18	1,160,000	64,444
365 E. 14th	8	585,000	73,125
2130 Cambridge	23	1,310,000	56,957
2184 Triumph	11	975,000	88,636
2185 Oxford	8	440,000	55,000
2066 Triumph	8	443,000	55,380
224 E. 13th	18	1,200,000	66,667
7849 Knight	12	710,000	59,166
2184 Wall	21	975,000	46,428

VANCOUVER (Kerrisdale/Pt. Grey)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
4639 W. 10th*	44	$5,400,000	$122,727

VANCOUVER (Kitsilano)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
2222 Cornwall	10	$1,200,000	$120,000
2609 W. 1st Ave.	11	1,600,000	145,455
3550 W. Broadway	48	5,981,800	124,604
2330 Cornwall	6	818,000	136,333
2475-85 W. Broadway	66	7,776,500	117,825
2647 W. 4th Ave.	15	2,092,277	139,485

VANCOUVER (Marpole)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
885 W. 70th Ave.	22	$1,490,000	$67,727
8644 Cartier	11	750,000	68,182
8680 Cartier	10	870,000	87,000
8636 Fremlin	8	550,000	68,750
1347 W. 72nd Ave.	8	550,000	68,750
1349 W. 70th Ave.	8	466,000	58,250

VANCOUVER (South Granville)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1660 W. 10th Ave.	8	$920,000	$115,000
766 W. 16th Ave.	14	1,420,000	101,428
1705 W. 12th Ave.	20	2,600,000	130,000
1270 W. 11th Ave.	6	870,000	145,000
1137 W. 10th Ave.	11	1,100,000	110,000

VANCOUVER (West End)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1640-50 Alberni*	66	$7,000,000	$106,060
1221 Burnaby	20	1,450,000	72,500
1045 Nelson	23	1,750,000	76,000
1540 Burnaby	22	1,900,000	86,363
1924 Barclay*	42	3,850,000	91,667
1095 Bute*	80	6,250,000	78,125
1421 Burnaby	28	2,060,000	73,571
1030 Harwood	30	2,320,00	77,333
1123-31 Burnaby	51	3,950,000	77,451
1222 Harwood	25	1,730,000	69,200
1450 W. Georgia*	154	15,000,000	97,402
962 Jervis	27	2,301,500	85,240

BURNABY

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
6630 Telford	40	$2,415,000	$60,375
6508 Silver	42	2,950,000	70,240
6719 Silver	42	3,050,000	73,571
4141 Albert	23	1,689,000	73,434
5950 Booth	27	1,920,000	71,000
6592 Telford	9	691,000	76,778
4643 Grange	21	1,545,000	73,571
5111 Imperial	21	1,440,000	68,571
4495 Imperial	8	538,000	67,250
6680 Sussex	8	629,000	78,625
5170-4 Hastings	12	746,200	62,183
6880 Balmoral	23	1,595,000	69,347
6659 Dow	16	1,187,000	74,187
3846 Sunset	14	1,045,000	74,642

COQUITLAM

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1064 Howie	50	$3,030,000	$60,000
574 Sydney*	72	5,026,000	69,805
668 Whiting	17	870,000	51,176
663 Whiting	17	870,000	51,176
1201-59 Ridgeway	59	3,420,000	57,966

DELTA

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
4630 Evergreen	16	$1,025,000	$64,062

NEW WESTMINSTER

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
230 8th St.	18	$1,065,000	$59,167
418 3rd Ave.	25	1,749,000	69,960
73 Coburg	23	1,139,000	49,521
405 10th Ave.	28	1,400,000	50,000
509 10th Ave.	14	720,000	51,428
1310 Caribou	60	4,411,320	73,522

NORTH VANCOUVER

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
173 W. 6th	9	$780,000	$86,666
158 E. 4th	6	475,000	79,167
158 E. 4th	6	545,000	90,833

SURREY

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
9555 128th Ave.	204	$9,500,000	$46,569

KINDLY NOTE:

The above information is a general guide only.
There are numerous variables to be considered such as:
1. Suite Mix 2. Rents per foot 3. Net leaseable area 4. Buildings' Age & Condition
5. Location 6. Frame or HiRise 7. Strata vs Non-Strata
8. Land Value (Development Site) 9. Special Financing 10. Asset vs. Share Purchase.

To determine more accurately how your building compares to the above data or for an absolutely no cost, no obligation detailed evaluation on your building(s), call. David Goodman at 714-4778.

Properties Recently Sold By DAVID GOODMAN

South Granville Centre 2600 Granville Street

$ 18,200,000
87,000sqft Office/ Retail Complex

Bellevue Towers 4639 W10th Ave.

$ 5,400,000
44 Suites Concrete HiRise-Views
Near UBC – Superb Location

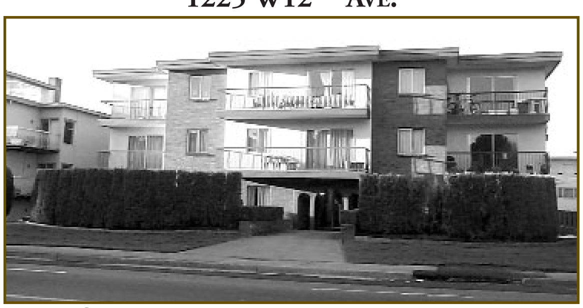
Seymour Medical Clinic 1530 W7th Ave.

$ 7,400,000
Development Site (350X109) & Medical Offices
Prime S/Granville Location

For Sale

Multi-Family Opportunities

1225 W12th Ave.



31 Year Old Wood Frame–Underground Parking
23 Suites (6-Bach, 16-1BR, 1-2BR)
Excellent Condition & S/Granville Location
Asking $ 2,245,000

Development Sites

NORTH VANCOUVER

Prime 2.5 Acres Site
275,000sqft Buildable
Across from Lynn Valley Shopping Center

BURNABY

Across from (soon to be developed)
Middlegate Mall, Site Size .91 Acres
123,871sqft Buildable C.D. Zoning
Asking $2,495,000

David Goodman
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This is not intended to solicit properties already listed for sale with another agent.