

INVESTMENT PARADISE

BY MARK KANDBORG

Edmonton has an investment paradise with a backyard, in its backyard.

The problem with most financial investments is that they're not much fun. They are important and valuable; a great deal of enjoyment can be had when they're liquidated and you (hopefully) have more money than you had to begin with, but while you possess them, they just kind of sit there quietly working in the background. Recreational investments, on the other hand, are an entirely different animal.





PHOTO COURTESY OF TRAVEL ALBERTA

Whether it's a lakefront cabin, golf course condo or tropical vacation property, having this type of investment is fun – no doubt about it. It still has the power to give you that extra kick of enjoyment when you liquidate and end up with more money in your pocket or, as is often the case, when you choose instead to pass it on down the family line for the kids and grandkids to enjoy. If you do it right, recreational investments might just be the best of all possible models to put your money into. You can have your cake and eat it, too. And so

can your lucky (and suddenly well-behaved) friends and relatives.

We live in a city that loves to play, but Edmontonians tend not to play where we live. We're a wayward bunch. Part of it is weather related, of course. We like to head south for the winter, the further the better, it seems. But our recreation time isn't confined to winter escapes. During the summer months, many of us can't wait to get out of town for the weekend. City festivals are great, but nothing beats boating, fishing, hiking or just reading a good book with a view of the lake.



WAYNE HEINE, LAKE AND RECREATIONAL PROPERTY CONSULTANT WITH REALTY EXECUTIVES LEADING.

We may not realize it, but it's these summer pursuits that make us very lucky, we Edmontonians. They're also what make Wayne Heine, lake and recreational property consultant with Realty Executives Leading, very, very excited.

To be honest, as I speak with Heine from his winter getaway in California (he is an Edmontonian, after all), I get the impression that very excited is kind of his default setting. He loves his lifestyle and he loves what he does, but he takes it up a notch to very, very excited when he talks about the promised land of recreation-

al investment that lies within a couple of driving hours west of our city.

"Most people are shocked of the kind of lifestyle that exists just a 45 minute drive away," he says. "It's paradise. Right now it's very much like Riverdale was in the '90s, where if you bought a little place for \$100,000 it would easily be worth \$400,000 today. So it's an investment paradise, too. Recreation properties west of the city are tremendously undervalued."

Just how undervalued? For example, take Seba Beach, a village with a population of 200 which balloons to 800 people in the summer. "You can buy a three-bedroom, 1,200 square foot house a half block from the beach, for \$200,000," he says. "That's half of what that same house would cost in the city." Heine considers Seba Beach to be the best kept secret in Edmonton. Not just because of how far your hard earned dollar can stretch. Not just because of the beautiful lake, two miles in length with a 50 foot wide sandy beach, either. Listen to the way Heine describes it: "I have a place there. I'm 20 minutes away from seven golf courses. I can get up in the morning and sit on the beach, play a little tennis, head off for a couple rounds of golf then come home and sit in front of my fireplace or look at the stars. And I'm not even talking about boating."

The Trade Show is the only one of its kind in Alberta with experts and representatives not only from that golden area just west of us, but from B.C., Arizona, the Dominican Republic, Belize, Mexico and Costa Rica, among others.

Heine is quick to point out, with his characteristic brand of relaxed enthusiasm, that it would be a mistake to think of our “investment paradise” as summer-only. “Temperatures out there were still in the upper twenties until mid-October, and to be honest, my favourite time out there is Christmas, sitting by the fire. Sledding is huge. There are lots of skidoo tracks, utility vehicle tracks and there’s cross-country skiing,” he says, adding, “You’re half way to Jasper. I leave my ski equipment at the lake all year long. The kids and I head to the mountains for the day and we’re back sleeping in our own beds that night.”

As perfect as Seba Beach sounds, it’s definitely not the only fish in the lake, so to speak. There are lots of destinations to choose from and it’s hard to go wrong with any of them. Lake Wabamun, just 45 minutes out of town, is another prime spot and one Heine refers to as the “premier lake” west of the city. “Money likes to attract money, and money has found its way out there,” he says. One of the attractive features of Lake Wabamun is that it’s entirely fed by spring water. There’s even a 30-kilometre government funded pipeline running from the North Saskatchewan River to keep it that way and to maintain consistent water levels, which have been getting progressively lower at most of the other lakes in the region. Another benefit of a spring fed lake, especially one with a coal bottom like Wabamun, is that it’s very hard for blue-green algae to infiltrate, making it one of the most ecologically pristine around.

There’s a fair amount of development going on at Seba, Wabamun and a host of other nearby and in-demand lakes, just as there are at recreation areas all across the continent. There’s an important distinction to be made, however. The developments west of our city have a distinct rural character. They’re generally acreage style with a small footprint. The average development at Wabamun is a mere 50 – 100 lots. No sprawling “bring the city to the country” style developments here. “Most don’t have signs,” Heine says. “You wouldn’t even know they’re there.”

So how does one learn what’s out there? You could find yourself a lake and recreational specialist like Wayne Heine (he has the only completely self-contained mobile real estate office to service the entire area) or, for an even wider view of your recreational investment options, you could attend the Second Homes Trade Show on April 4th at the Ramada Inn, right here in Edmonton.

The Trade Show is the only one of its kind in Alberta with experts and representatives not only from that golden area just west of us, but from B.C., Arizona, the Dominican Republic, Belize, Mexico and Costa Rica, among others. Once your recreation investment dollars leave the province, of course, things get more complicated. Different buying laws and practices come into play. Attendance at the Trade Show gives you an unparalleled opportunity to get the scoop from experts about many different geographical areas, people well-versed in the financial risks/benefits and legal requirements involved.

“It’s a one day show, and the attendees tend to be extremely focused, qualified and well-prepared,” says Rhonda Vickers, sales development manager at the Edmonton Journal, which puts on the event twice a year. “It’s common for people to come to a show, do some research and come back.” If you want information on the state of current opportunities in recreational investment, and lots of it, the Ramada Inn is the place to be on April 4th. Once again, we’re lucky to be living in this city as the large proportion of show attendees traveling here from Calgary would attest.

Heine would agree. “Calgarians know the value of what we have to offer,” he says. “I’d say half of those investing [in that paradise west of the city] are from the Calgary area. There’s nothing like it where they are, especially not at these prices. They’re more than willing to drive the three extra hours just for a little part of what we have right next door.” ■