

THE LINK

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FROM THE PRESIDENT

Here is an overview of the Keynote Speaker, at the Opening ceremony of FIABCI World Congress in St Petersburg, Russia, which I attended this year:

The title of this speech is "*Property Rights and Political Rights: The way Forward.*"

Hernando de Soto, one of the most influential economists of our time, opened the 63rd Fiabci World Congress in St Petersburg Russia, which attracted hundreds of global leaders from the Real Estate and other related industries, noted Politicians, Government officials and close to 1000 World Congress participants from around the World.

His pioneering work on behalf of property rights for the poor has led to Global acclaim and recognition.

De Soto is known for his revolutionary thinking and his focus on the relationship between property rights and economic development. The de Soto speech focused on the concept that the lack of formal property rights is the source of poverty in many countries. This, in turn, has caused a direct effect on the political and on the global economic environment that presently exists. His informative speech of over 45 minutes included many key points about the recent economic crises.

Dean Lapointe, FRI, RI CMR
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*Hernando de Soto - President of the Institute for Liberty and Democracy
Keynote Speaker, at the Opening ceremony of FIABCI World Congress in St Petersburg,
Russia*

The following 6 points are the main chapters that were developed during his speech.

1. Property Distortion:

The world began to change about four years ago. The 2008 financial crisis pushed the US and European economies into the worst recession in 80 years. Conflicts over control of mineral-rich territories increased in emerging markets, and a series of revolutions took place throughout the Arab Middle East and North Africa with millions of people marching in the streets. Those who observe these astonishing events taking place in both rich and poor countries, and which on the face of it appear to be different crises, will notice that behind all of them is a property distortion: developed countries had created too much asset-less paper, while developing countries had too many paperless assets.

2. The Arab Spring in Support of Property Rights:

The Arab Spring was essentially generated as a movement in favour of property rights. It began when Tunisian street vendor Mohammed Bouazizi lit himself on fire when authorities expropriated his goods and his right to settle in one spot on 17 December 2010. Within the next 60 days, 49 others across the culturally and politically diverse Middle East self-immolated – all of them had recently been expropriated. The Arab Spring is just as much about property as it is about politics.

3. The Economic Crisis:

The Economic Crisis is correctly defined as a “credit crunch.” Private credit has stalled not because there is less money in the economy (i.e. bills and coins) but because there is less knowledge about property. For more than 100 years property recordation had supplied investors with a treasure house of useful economic facts – digital records, for example – to massify financing for cheap mortgages, the data contained in balance sheets to tell us who owns the assets, the equity and the liabilities, balance of payments knowledge to signal which countries were on the path to default. And then, suddenly, in a few days in 2008, the global markets realized that the knowledge that they had always depended on had deteriorated to the point where no one knew exactly who owned or owed what or who held the risk; and then credit and capital literally vanished.

4. Avatar and Property Rights:

The film Avatar is science fiction about Western miners taking land and resources from locals. During the past few years, there is an increasing number of property and business related conflicts taking place in remote areas of the South American Amazon, Africa and India. These disputes are principally over control of oil, gas and mining activities and large tracts of agricultural land. These disputes take place between local, poor or indigenous communities and informal or customary rights to their land and business and formal investment companies eager to exploit the value of these traditional lands and the natural resources available there. This won't get solved until those concerned realize that this is not about indigenous against Western cultures, but rather about ill-defined property rights.

5. Humanity's Greatest Achievements have resulted from good Property Rights.

This is because property documentation not only records the ownership of things, but it relates people and things to each other – creating such countless and increasingly valuable combinations and collaborations that produced such wonders as flight navigation systems, the Internet, and global satellite positioning available for the family car.

6. Property Documentation = Factory:

A property documentation system is literally a “factory” – a place where facts are assembled in ways that help entrepreneurs combine assets, skills, technologies and finance into complex and increasingly valuable products. Entrepreneurs need to know not only who owns what but also how these ownership rights relate to other interests, potential claims, and eventual benefits. If a property document refers to the ownership of a house, it must also be able to document that the house is the underlying asset that furnishes the guarantee for a sub-prime mortgage; was originally financed by someone who covered his risk by selling an interest to a third party; is the address at which mortgages can be foreclosed, where debts, rates and taxes are collected, where certain deliveries are made; is also the liable terminal from which energy, water, sewage, telephone, cable TV and Internet services can be controlled and where procedures will be initiated when bills have not been paid.

This talk was a fresh stroke on a canvass that left us with a new vision of a spark that could be felt, discussed and acted upon for years to come.

Mr. de Soto received a standing ovation, then twenty minutes of often provocative questions and answers.

Thank you Mr. de Soto. Well done FIABCI Russia.

REIC is an educational member of FIABCI.

Microsoft's Move to the Cloud



There's a lot in the news about "The Cloud", especially about Microsoft's new cloud service called Office365. But how do cloud services really work? Should you consider moving your business into the cloud?

You're Already Using the Cloud

You may not realize it, but whenever you use an Internet service, you're using "cloud" services. This includes shopping on Amazon, using online banking, reading your Gmail or Hotmail, and listening to Pandora. All of these services run on computer servers that reside *somewhere*; you never think about where they are or how they're maintained. It really doesn't matter. You just use them.

Recently, cloud service capabilities have expanded to provide applications that meet your everyday business and personal needs. These new cloud services make it very easy and convenient to run and maintain your own email, calendar, document management and communications programs. These are capabilities that just a few years ago required you to purchase and maintain your own servers and software.

The Stages of Technology Adoption

Whether we're discussing airplanes, automobiles, cell phones or the Internet, most new technologies go through three stages of adoption:

1. No! Why would I ever use that?
2. Maybe I would use that.
3. What did we ever do without that?

Cloud services are currently transitioning through these three stages. Millions of people and companies are at stage 2, and we will be seeing wholesale moves to stage 3 over the next few years. Just as there are few people who don't have a cell phone or use email, soon there will be very few companies that aren't using some type of cloud services for their business functions.

Advantages of Cloud Services

Do you have any aging servers in your business? Have you been thinking it's about time to replace or upgrade them? Don't do it yet! See if you should use the cloud instead.

For your company, do you host your email server internally? Or do you use older POP3 email with an external email service? In either case, you should think about moving to cloud services. If you want to do more with document storage and collaboration, the cloud is a good option for those things too. Why?

1. You don't need to buy servers, which need to be patched, backed up, maintained, virus protected, repaired and eventually replaced. All these things are covered by cloud services.
2. Instead of making an up-front investment in servers and applications, cloud services are subscriptions that spread your expenses out over time.
3. Cloud services are likely more reliable and better protected than anything you could install in-house.
4. Because so many users share in the cost of development, cloud service features are becoming more powerful and less expensive all the time.

Concerns about Cloud Services

There are some concerns that come up when you consider moving your important business functions to a service running on a server that you can't see.

What if the service goes down? This is a common concern. There have been outages, and there will be more. But they are rare, and they usually last just a few hours. Compare this to the last time your internal server had a problem or you had a local power outage. In most cases the cloud services will be more reliable than your own servers, and will be back online faster. And some cloud providers have a "financially-backed service level agreement (SLA)"; they'll refund some of your subscription cost if you experience an outage.

Is my Internet connection fast enough? Using cloud services can require a lot of data transfer between you and the servers. If you will be using large documents, speed and bandwidth limits might be an issue. You should be fine if you use DSL, cable or fiber connections, but a slower T1 line might be a limiting factor.

Who owns my data? It's a valid question when your data is stored on a server that you don't own. It's important to know your cloud provider's privacy and usage policies, and also to understand what legal requirements have to be met for them to disclose your data to law enforcement agencies.

How secure is my data from hackers? With all the breaches in the news, you want to be careful. Reputable cloud service providers work very hard to make sure that their servers are secure, but there's always a chance that there will be a breach. However, your own servers could be attacked too, and they probably aren't as rigorously patched and tested as the cloud servers.

Isn't it expensive to pay for cloud subscriptions every month? This is a reasonable question, and you should do some math to be sure it makes sense. But don't forget to include everything in your comparison. For example, if you have an internal server, you need to buy the hardware, make sure it's backed up, and probably pay someone (internal or external) to take care of it. How much does all that cost compared to a monthly cloud service subscription? Many companies are deciding that there is a clear cost savings when they move to the cloud.

Microsoft's Game-Changer: Office365

We've had some cloud services available for a while, most notably Google Docs. Google's offering has a free level, but to use business-level services requires a paid subscription. In summer 2011, Microsoft launched Office365, which bundles many useful cloud services together into one subscription and integrates smoothly with Office 2010. There's no free level of Office365, but there are several different plans ranging from about \$6/user/month up to \$27/user/month.

Office365 includes several services and features:

- Email Server (Exchange 2010)
- Document Storage and Collaboration (SharePoint 2010)
- Communication (Lync 2010)
- Web Site Hosting (some plans)
- Browser-Based Office programs (most plans)
- Full client licenses of Office 2010 Pro Plus (some plans)

Let's look at each of these specifically.

Email Server

Exchange 2010 is one of the best email and calendar platforms in the world, and it's used by thousands of companies large and small. By having Exchange hosted in the cloud as part of Office365, you get a lot of services included. It's automatically virus-protected, patched and backed up. Each user gets 25GB of email storage – that's a generous amount. And you can use a web version of Outlook anywhere you have a browser, with functionality that rivals the regular client version of Outlook. If you're currently using POP3 email, you're in for a treat when you switch to Exchange – everything is smoother and easier. Using Exchange's shared calendar feature is very handy within your company – it's easy to find a meeting time that will work for everyone. Exchange also synchronizes very well with mobile devices and phones.

Document Storage and Collaboration

SharePoint is one of the most successful server systems Microsoft has ever launched. It's difficult to describe everything it can do, because it is so large. It's best thought of as a *platform*, not just a *product*. Most people first think of SharePoint as a place to store documents, but it is much more. It can provide a place for your employees to collaborate, communicate with your customers, manage workflows, publish content on internal and external web sites, and much more.

Communication

There are many ways to communicate using your PC: GoToMeeting, WebEx, Skype, Messenger, Live Meeting, AIM, etc. Microsoft incorporated many communication functions into one product called Lync, and included it with Office365. Lync supports PC-to-PC audio, video, text chat and screen sharing between multiple participants. It also shows "presence" right in Office applications. For example, while you're composing an email to your colleague, you can see in the "to" line whether they're currently online, and even ask them a quick question. Lync is compatible with mobile devices and can also be integrated with traditional telephone conference calling services.

Web Site Hosting

The P1 plan has a built-in ability to host your company's web site as part of Office365. You can edit your content using a web-based designer, so it's easy to maintain. You won't be able to fully customize your site design or build anything fancy, but for basic "brochure" sites it's a nice capability, and might save you a few dollars by using Office365 instead of your existing hosting.

Browser-Based Office Programs

Most Office365 plans include the ability to view and edit your Office documents in any browser, without needing Office installed on the PC at all. Browser versions of Office programs include Word, Excel, Outlook, PowerPoint, Visio and OneNote. The browser-based versions aren't quite as powerful as the normal desktop versions, but they work very well for most of the things you'll need to do, and they're being improved all the time. Plus, they work on other devices too, like tablets, Macs and smart phones.

Office 2010 Pro Plus

Some of the higher Office365 plans (E3, E4) include licenses for Office Pro Plus. This is a complete version of Office 2010 that you download and install on your PC. If you haven't already purchased Office 2010 for your business, this can be a good way to spread out your costs using the monthly subscription instead of buying the software outright.

Summary

You'll be hearing more and more about companies moving to the cloud. It can make a lot of sense, especially for small businesses that can subscribe to advanced services that they would not have been able to afford the traditional way. Cloud services level the playing field by giving small businesses the same capabilities that big companies have.

If you already use Microsoft Office products, the new Office365 cloud service may be a good way for you to modernize your business and give you extra capabilities, without buying new servers and hiring the people to run them.

Cloud service may be a good way for you to modernize your business and give you extra capabilities, without buying new servers and hiring the people to run them.

Information brought to you by:

Armen Stein

Armen Stein is the founder and president of J Street Technology, a Microsoft Partner located near Seattle, Washington with expertise in custom desktop and web database applications and Office365. Armen is a Microsoft Certified Professional and a Microsoft Access MVP, and has spoken at many user groups and conferences including Microsoft TechEd and the Office DevCon in Australia. His other interests include travel, photography, backgammon, movies, and driving his 1969 Ford Bronco in the sun.



Depreciation Reports and the Strata Homeowner

Recently passed Strata Legislation has made strata owners and their managers address the new requirement to have a depreciation report completed by December 13, 2013, or to self-exempt through a 75% vote of the strata owners. Much has been written in this regard over the past few months, so we will not re-hash the details of the legislation here, as it can readily be found at the BC Government website at <http://www.housing.gov.bc.ca/strata/regs/>. Instead, I would like to address some of the rationale behind having a depreciation report completed, and why the owners should take thoughtful consideration over the decision to either comply or self-exempt.

In the course of these arguments, I would like to introduce a couple of pairs of “dirty words” that could have significant consequences to strata owners in this regard:

Unintended Consequences – We have all experienced these in our personal or business lives, the results of the details we overlooked when the right decision seemed to be staring us in the face. As no decision is made in a vacuum, there are always indirect consequences of every action/decision. In the context of a depreciation report, let’s consider the possible impact of not having the report completed:

Example – Owner A owns a suite in a self-exempted strata and has his condo listed for sale, and a prospective purchaser is considering making an offer on either his condo or a condo (owner B’s) in a different building. The prospective purchaser’s Realtor checks with each property manager to confirm if a depreciation report has been conducted on the building. The strata corporation for the building of owner B has had their depreciation report completed, but the strata corporation for the building of owner A has not.

Now aside from any of the other differences between the two listed suites, the prospective purchaser today has an additional consideration in their decision as to which building to purchase in - the building with the report conducted, or the building without.

If you were the buyer, would you prefer to buy in a building with the depreciation report completed (added confidence in the building’s financial state of affairs perhaps), would you consider the building without the report at all, or would you make a lower offer for the suite in the building without the report?

This example assumes only one variable, report or no report, and of course there would be many other considerations as well. Now if you answered that it wouldn’t matter to you if there was a report or not, do you think that is how the market in general would respond? Or do you think a savvy Realtor for the purchaser would take this as an opportunity to justify a lower offer on the suite in the building without the depreciation report?

“Unfunded Liability” – This is and will continue to be the dark cloud with the rusty lining for virtually all governments, including strata owners. Don’t think your strata corporation is a government? Well it elects a council, has voters, has ratepayers, and has various rules and bylaws – certainly sounds like government to me. Now if you are an owner who thinks, well, if I was in a house I could simply fund my repairs when they occur, I don’t need someone telling me that I need to save 10% of my roof cost per year to replace the roof in 10 years – “that’s my own business!” – you would be right. But once you are a citizen of “strata nation”, not all owners will agree on a funding plan, not all will have the ability to pay for the repairs when they occur (special assessments), and without the benefit of the depreciation report, the “unintended consequences” of “unfunded liability” is almost certain to occur.

Conclusion – If you are a strata owner who feels the new legislation is either a case of government unnecessarily regulating your personal budgeting choices, or the legislation is a waste of money for a report that will simply gather dust, or both, please consider this advice: if your strata corporation elects to complete the depreciation report, use it as a tool, use it as knowledge for the benefit of your collective owners, and if nothing else, use it to your competitive advantage vs. those strata corporations who haven’t yet thoughtfully considered those dirty words, “unintended consequences” and “unfunded liability”.

Michael LaPorte, CRP, AACI, P. App.
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Summer/Travel Tech
By Akash Sablok

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Roam offers several options for travelers, a phone/sim card package, a hotspot device (for data only), or a Sim card for use in your own phone.

The service is operated through T-Mobile in the US - now running a 4G network. I tested the Liberty Hotspot unit during a recent trip to Oregon and was impressed with the speed and ease of setup. The Liberty unit is a password protected Wi-Fi hotspot that can have up to five users at a time. Battery life of the unit was almost a full day - about the same as the iPhone I was using it with.

You can use the Liberty to connect your laptop, iPad or any other mobile device equipped with Wi-Fi capabilities.

Roam Mobility states that "18 million Canadians that cross the border every single year", and "Canadians spend \$800-million a year on international roaming fees, with roughly \$450-million spent on U.S. roaming alone."

Packages available include unlimited voice and text packages starting at \$15/3 days, and data packages starting at \$20/500 MB.

You must have an unlocked phone to use the Roam Mobility Sim card. Check with your service provider to see if your phone is unlocked. Telus and Rogers do offer unlocking of phones, but for a fee.

And if you are using an iPhone 4/4S or some similar smartphones, data in the use may be limited as these phones are not on the same frequency with T-Mobile's 4G network. Voice calls are unaffected.

For iPhones and similar models, I would suggest the Liberty hotspot unit for data.

Previously, I would visit a Starbucks to get my 'wif-fi' fix (and of course, a green tea latte, non-fat, no-foam, extra-hot), but future trips to the States will be with a Roam Mobility device.

www.roammobility.com

MSRP: Various Plans, See website for info

"Vancouver Notary Public Akash Sablok, practises with his father Tarlok Sablok, in their Vancouver office. Akash writes regular technology and automotive columns for several publications across Canada and appears as a guest technology reviewer on TV & radio programs, including CityTV's Breakfast Television (BT Vancouver); Omni Television (BC); Shaw TV's Urban Rush; CBC's The National; and The Beat 94.5 (FM)."



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2012/2013 REIC GREATER VANCOUVER MANAGEMENT BOARD



President:

Currently a VP with COLDWELL BANKER Westburn Realty, Dean has established himself as an expert in Real Estate for over 30 years. His knowledge and experience with the Global Real Estate Industry has resulted in being elected as FIABCI (The International Federation of Real Estate) President of the Region of the America's. Dean holds professional designations from the Real Estate Institute of Canada (FRI) and the Real Estate Institute of British Columbia (RI). As a former President of the REIC Greater Vancouver Chapter, and Current President, Dean continues to bring tremendous worldwide Knowledge increasing global awareness of the Chapter's Members and the Institute's designations. Dean is a founding member of the International Think Thank based in Paris.



Treasurer: Kashmir Kang, FRI

Kash Kang has been involved in the Real Estate industry for over 25 years. He has been involved in the valuation of complex residential, industrial and commercial properties throughout the Lower Mainland and the Fraser Valley. Currently he is with the BC Assessment Authority as the Regional Assessor of the North Fraser Region which includes Burnaby, New Westminster, and the Tri-Cities areas. Kash resides in North Surrey with his wife and two boys and is actively involved in his children's sports activities and volunteering with other local community issues.



Director: Mercedes Wong, FRI

Working in Commercial Real Estate Since 1998. With a career in real estate development and corporate finance that has spanned 30 years in the Philippines, Europe, the USA, and Western Canada, Mercedes has developed a network of contacts both locally and internationally. Mercedes is also a retired certified public accountant. In the USA, Mercedes held senior positions at Transamerica Corporation, and managed the company's major development projects to ensure they met cost targets, including Auburn Lake Trails recreational land development in Sacramento, shopping centres in Phoenix, single family housing in Fremont and Los Angeles, and town house developments in Monterey and Denver. With Coldwell Banker, Mercedes was responsible for setting up and running property management for a variety of projects, including hotels in Laguna Beach, single family homes, and apartments. Mercedes is experienced in sourcing investment and mortgage funds for commercial and residential strata projects, and instituted a guaranteed return program for investors using residential mortgage rates for commercial property. Mercedes has been very successful in marketing, selling, and leasing multi-million dollar projects of all types.



Director: Paul Li, FRI, CRES

As a long time resident of Vancouver and with over 10 years in residential and commercial sales and development, Paul is very knowledgeable about the local attributes and consumer real estate needs. Paul is fluent in English, Mandarin and Cantonese which gives him the extra edge in bringing the Canadian and the Asian markets closer together. Paul is also hard working and energetic. With his experience and dedication to customer service, customers can be assured that he is 100% committed to bringing results and continually performing beyond expectations.