



# THE ROTARY CLUB OF NORTH VANCOUVER WHEEL SQUEALS



8<sup>th</sup> July 2013

*Created By Norman Thomson*

**Desk:** Joy Jones was at the desk ensuring everyone was welcomed with a warm smile and got their ticket to participate in the draw.

**O Canada:** Our new president Deborah Sommerfeld led us in the singing of O Canada.

**Invocation:** Bob McKilligan provided us with simple, short and inspiring invocation.

**Introduction of Visitors:** We were delighted to have four visitors to the meeting. Our Michael Schelhaas introduced Toph Whitmore, who was attending his second meeting, and Rupinder Khotar, who was visiting from the Quadra club. The other two guests were familiar faces - past members, Riet Carter and Dan Eisenhauer.



## Announcements:



Our new president Deborah led off the announcements. There was a request to rent our popcorn machine and, after a brief discussion, it was agreed to rent it for \$50.00.

Then she brought to our attention the opportunity to participate in the Vancouver China Town's Rotary event, The Walk of the Dragon, being held on July 21<sup>st</sup> in Stanley Park. The event is to raise funds for the Kidney Foundation.

Deborah also refreshed our memory that Rotary International had received additional funds from the Bill & Melinda Gates Foundation to continue in the fight to eradicate polio. It comes with a caveat that we Rotarians have to raise matching funds.

Bob McKilligan asked for our support again in his participation in the Rhythm of Life Walk/Run to be held on September 8<sup>th</sup>. He told us that all funds donated by us would go to North Shore Cardiac Rehabilitation.

John Ward undertook that onerous task of trying to remember all the members of the club who helped out at the Canada Day Parade. John said, with such a lovely day, everything went off really well.

Norman Thomson gave us an update on the preparations and arrangements being made for the North Shore Terry Fox Run which is being held on September 15<sup>th</sup> at Inter River Park.

### **Sergeant-At-Arms:**

Michael Schelhaas started off with the draw in search of the elusive Ace of Spades. Jeff Pearce was the lucky number holder but once again the Ace remained hidden.



Michael then surprised us by fining all members wearing a badge. After this controversial move he quickly sought people's contributions of happy and sads. Many took the opportunity to congratulate John Ward on doing so much work on the Canada Day Parade. Deborah reminded us that she had a significant birthday (60) this week and we sang Happy Birthday to her. Dan Eisenhower announced that he had taken over from Riet Carter as Administrator of Klahanie House.



### **Introduction of the Speaker:**

John Stuart did a fine job of introducing our speaker Dan Eisenhower. Most of us knew Dan from his days as a member of the club but we were impressed to hear the resume of his career in real estate.

### **Program:**

It was obvious that Dan's topic of Creative Financing for Investors had the attention of our audience. Dan told us that throughout his career he had been involved in numerous segments of the industry including, residential sales, commercial sales and leasing, land development and construction, property management, and real estate investing. He said that more recently, with changes in the economy and regulations regarding real estate investing, he has turned to using creative financing on all projects he assembles, most often with partners. This approach generates passive income with inflation protection and slow fluctuations that enable you, the investor, to retain control. He said it was the large funds that controlled the stock market, not the individual investor.

In 2011 the Canadian Government legislated that the maximum loan value on a property would be 80%. This meant that people had to have a 20% deposit. They

also changed the payback period to not exceed 30 years. At this point Dan offered us a line from the song "It Ain't Necessarily So." He went on to say that these rules only applied to properties that were using CMHC guaranteed loans. To illustrate the opportunities of finding real estate transactions that were not subject to CMHC Dan proceeded to show us a series of examples. He covered trades that he had carried out in Halifax, in Edmonton and in the Lower Mainland.



One example was a contractor who was building 26 townhouses in Richmond. He became overextended and unable to finish the project. Dan became involved with arranging financing on the outstanding work to finish the project. The investors arranged to rent with an option to buy the finished units. A no-option fee was paid to the investor and the rent to the contractor covered his out of pocket expenses. The purchase price for the units was based on the outstanding amount at the time Dan became involved. On a grander scale Dan told of an office building in Calgary that was bought for \$3,500,000 and then had about \$1,500,000 of renovations carried out before being sold for almost \$9,000,000. Back in smaller numbers he told of a home purchased in Surrey for \$350,000 that had been on the market for a long time. He arranged the financing to purchase with a deposit of \$79,000 and rented it for a period at \$2275 per month until a buyer was secured at \$371,000.

He suggested that people who would sell at a deeply discounted cost included divorcing couples, company transfers, foreclosures, people caught in a job loss situation and even suggested a person who was being sent to prison.

### **Thanks to Speaker:**

David Spears thanked Dan for taking the time to educate us on other opportunities for investing more securely than the stock market. David then presented him with our club certificate promising to immunize 20 children against polio in Dan's name.



**Toast to Rotary International:** The meeting wound up with the members in unison toasting Rotary International.

**The 4-Way Test:** Similarly the club members recited the 4-Way Test.

**President Deborah** reminded our members that there would be no meeting next week and July 22<sup>nd</sup> was when we would meet again. Then she adjourned the meeting.

**Future Meetings / Key Dates:**

- Jul 15 No Meeting
- Jul 22 LED Light Therapy - Ed & Val Meyer, LED Quantum Light Therapy
- Jul 29 Club Assembly & Fellowship Evening - Fund Raising
- Aug 5 No Meeting - BC Day Statutory Holiday
- Aug 12 Peer2Peer Program, Odd Squad Productions - David Steverding, Vancouver Police Department
- Aug 19 No Meeting
- Aug 26 Club Fellowship Evening - BBQ at President Deborah's Home
- Sep 2 No Meeting - Labour Day Statutory Holiday
- Sep 9 RRSPs for Real Estate Investment - Dan Eisenhauer
- Sep 15 Terry Fox Run

