



The Whittakers development at Pender Harbour is attracting interest from Alberta and elsewhere.

Pender Harbour waterfront home sells for \$1.75 million

The property was bought by an Alberta businessman as a gift to his wife

BY BRIAN MORTON
VANCOUVER SUN

Sleepy little Pender Harbour on the Sunshine Coast has gone upscale.

Very upscale, it seems, after the sale of a new 2,300-square-foot waterfront home to an Edmonton businessman for \$1.75 million. He bought the property as a gift for his wife.

But the sale of the house at the Whittakers development to Jay Champigny is not just a reflection of the seaside delights of Pender Harbour. It's the latest example of a growing trend that is seeing much of B.C.'s best waterfront properties snatched up by wealthy outsiders — especially Albertans cashing in on their province's oil bonanza.

"I noted an interest immediately from Albertans," said Sharleen K. Whiteside, who started a website in May devoted to advertising waterfront and waterview properties for sale in B.C. "The majority [of interest] is from B.C., but Alberta is definitely number two."

Whiteside's website, called WaterfrontWest.com, gets about 200 hits a day, about 17 per cent from Alberta. The majority are still from B.C., but there is also sizeable interest from other parts of Canada, the U.S. and Europe, mainly Britain and Germany. "Vancouver Island is number one [on Albertans' list], but the Kootenays is also growing," she said in an inter-

view. "The overwhelming number of people buy [waterfront homes] as a vacation place that they can retire to later."

Whittakers, a luxury oceanfront community on the Sunshine Coast, started sales two weeks ago and is already 50-per-cent sold. Ocean view strata lots start at \$300,000 and homes at \$875,000.

The development on six hectares features low bank, south-facing views in a protected bay, with each home having its own slip at a private marina.

Strict architectural design guidelines are also part of the package, as well as an optional concierge service that includes property management, rental management, security and service checks, house cleaning, and grocery, laundry, and catering services.

"We've been selling recreational real estate for five or six years and we've focused on the B.C. area for the last three," said James Askew, president of rareEarth Project Marketing, the sales and marketing agent for Whittakers, which is being developed by Rockwater Properties.

"Between 1999 and 2003 there were few Alberta buyers. Since then, there's been a huge change. On the Sunshine Coast, we've had about 35 per cent of our buyers from Alberta. In the Okanagan, if it's prime location, we're looking at 50 to 60 per cent of our buyers from Alberta, with an increasing number from Edmonton. It's a huge, growing market."

Askew believes the \$1.75 million paid for their Whittakers home is the most paid on the Sunshine Coast for a similar home. "This is the most expensive one that I know of that's been part of a new resort community."

Askew said in an interview that their Watermark Beach Resort in Ossoyos is also getting a huge response from Albertans. "Geographically, it's far away [from Alberta], but they've discovered it."

But he said there's far less interest from American buyers these days. "Alberta has replaced Washington as a really strong B.C. market."

Champigny said that he purchased his Whittakers home as a present for his wife.

"This is a gift of love for my wife and our family," said Champigny in a statement. "We were looking for a site with low banks and a view of the water. My wife is a writer and scuba diver and this place will inspire her."

It's his second waterfront home in B.C., the other is in Vernon.

Despite Askew's observation that U.S. interest is dwindling, Whiteside said that's not the case on her website. She said that despite the rising Canadian dollar, more than nine per cent of the traffic to the site is from the U.S., primarily from California, Washington and Texas. Seventy three per cent were from B.C. and 17 per cent from Alberta, she said.

bmorton@png.canwest.com

Nicklaus to design Vancouver Island course

GOLF | Part of a \$650-million development, this will be golfer's third course in B.C.

BY BRUCE CONSTANTINEAU
VANCOUVER SUN

Jack Nicklaus will design his third signature golf course in B.C. as part of a \$650-million luxury resort development being planned on a 150-hectare site north of Ucluelet on the west coast of Vancouver Island, Marine Drive Properties Ltd. announced Thursday.

The B.C. development company said Nicklaus will be the sole designer of the 18-hole championship course and the legendary golfer will personally inspect the property near Pacific Rim National Park later this month. The yet-to-be-named course is expected to open in 2008.

"We chose Nicklaus because this is a rare opportunity to build a golf course on West Coast oceanfront," Marine Drive Properties marketing director Stephen Duke said in an interview. "We felt we needed to bring the best things to the table and one of them is the Nicklaus organization, in terms of the brand and the quality of golf courses they develop."

He said Nicklaus has been well briefed on the project as one of his senior course designers has already visited the Ucluelet property several times.

Nicklaus said in a statement he's excited about the prospect of creating "something truly special" on the "spectacular" oceanfront setting.

"If you had to compare or describe this site, you might say it has the feel of a Cypress Point (in California)," he said. "With the current routing, we have the opportunity to get as many as two holes on the Pacific Ocean and as many as four on the Ucluelet Inlet."

Nicklaus designed his first sig-

nature course in B.C. at Nicklaus North in Whistler, which opened in 1996, followed a year later by another signature course at James Island in Victoria. His company also developed Okanagan Golf Club in Kelowna — which was designed by his son-in-law, Bill O'Leary, and opened in 1999 — and Bear Mountain near Victoria, which Nicklaus co-designed with his son, Steve, and opened in 2003.

Nicklaus, with a record 18 major professional championships to his credit, has designed or co-designed about 250 golf courses over the past four decades and his Nicklaus Design group is represented in 28 countries and 37 U.S. states. He can command \$2 million US or more to design a new course.

"We believe it's worth it and we'll be very proud to have his course here as a showpiece for the resort," Duke said.

The golf course will open as part of the first phase of the resort project, which is expected to contain about 1,000 housing units when it is completed in five to seven years. The first phase will also contain 30 single-family homes on half-acre and 3/4-acre lots, which are priced from \$1.3 million to \$2.2 million (land only).

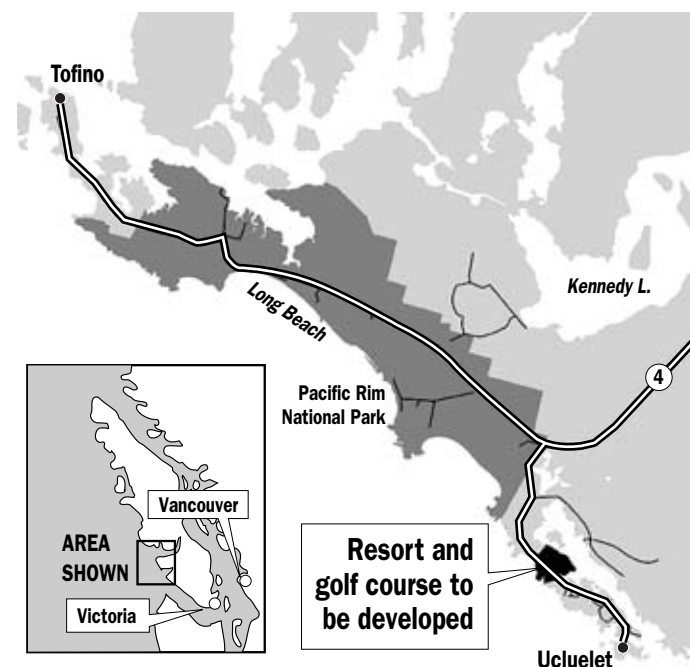
Owners will have access to a private putting green, a park and a helicopter landing pad. Duke said the project will also include a condominium hotel to be built on an eight-hectare waterfront site and other resort residences.

He said the majority of buyers will likely come from western Canada, the U.S., the U.K. and Germany. Marine Drive Properties is a private company headed by German-born developer Elke Loof-Koehler.

bconstantineau@png.canwest.com

A development for the golfer with wealth

Jack Nicklaus expects the 18-hole championship course to have two holes on the Pacific Ocean and four on the Ucluelet Inlet.



VANCOUVER SUN

Sinking leaves BC Ferries with Q1 profit

VICTORIA — British Columbia Ferry Services Inc. reported a first-quarter profit of \$76.2 million due to insurance proceeds of \$679 million in connection with the sinking of the *Queen of the North* ferry.

The ferry operator said Thursday that excluding the one-time gain, it would have earned \$14.9 million on revenue of \$146.3 million. That compared to a profit of \$14.4 million on revenue of \$145.2 million a year ago.

The company said the money from the insurance payment will be used to buy a replacement ship.

The *Queen of the North* sank in 430 metres of water March 22 when it hit an island during a trip through the Inside Passage on the way to Prince Rupert. Two people remain missing and are presumed dead after the late-night incident in which 99 people were safely removed from the stricken vessel. Two lawsuits are pending as a result of the sinking.

B.C. Ferries says it's still negotiating to buy a ship to replace the *Queen of the North*. In June, Ferries President David Hahn said the company had found a vessel in Europe and it could take possession in September, with the ship going into service in January.

In the latest quarterly report, Hahn says fuel prices continue to be a major concern for the company, which has implemented two fuel surcharges. He says the company is trying to reduce fuel consumption by operating its vessels more efficiently and installing new engines on some ships.

Canadian Press

Teck Cominco loses bidding war to buy Inco

Company loses out to foreign bidders after failing to raise its offer

BY DERRICK PENNER
VANCOUVER SUN

Teck Cominco Ltd.'s ambitions to acquire Inco Ltd. quietly died Thursday.

The company on Wednesday conceded the bidding war for one of Canada's premiere nickel mining companies to foreign bidders, when it couldn't raise \$5.7 billion to improve its offer to purchase Inco.

The bid Teck left on the table expired at midnight Wednesday without generating enough interest among Inco shareholders.

Teck senior vice-president Doug Horswill wouldn't disclose the number of Inco shares that were tendered to the offer, but said "it was certainly a long way below" the two-thirds threshold needed to succeed.

The company said Thursday it will return all shares that were put forward.

Teck's remaining offer of \$82.50 in cash and Teck shares was valued at \$16.5 billion on July 31, based on Teck's share price. On Wednesday, that offer was valued at \$18.5 bil-

lion or \$92.67 due to an increase in the company's stock.

However, it could not outweigh the \$86 per share cash only offer by the Brazilian iron ore miner Companhia Vale do Rio Doce (CVRD).

Horswill said that once Teck failed to raise the \$5.7 billion it sought in a last-minute share offering, "we knew that we weren't competitive at that point."

Horswill added that Teck wasn't prepared to delve any deeper in a bidding war for Inco. Besides CVRD, U.S. mining giant Phelps Dodge has an offer initially valued at \$89 before Inco shareholders, but analysts view that bid as inferior because it only pays \$20.25 in cash with the rest in shares.

"We weren't going to sacrifice our debt-equity ratio," Horswill said, "we weren't going to put ourselves in a position where we couldn't continue to invest in development [or] other opportunities."

Horswill added that Teck will pursue its "Plan B" for expansion which will consist of smaller acquisitions and development of mine projects within its own exploration programs.

Teck Cominco shares dropped \$1.02 in Thursday trading on the Toronto Stock Exchange to close at \$81.

Inco put itself into play last October when it proposed a friendly merger with Falconbridge Ltd. to create the world's largest nickel mining firm.

That overture brought out competing bids. Anglo-Swiss mining firm Xstrata Plc bought a 19-per-cent stake in Falconbridge and stated its intent to purchase the company.

Teck Cominco stepped in May 8 with its initial offer for Inco. Then, on June 26, Phoenix-based Phelps Dodge emerged as a white knight for an Inco and Falconbridge with a \$37.8 billion offer to buy both Canadian firms.

Falconbridge shareholders, however, rejected Inco's offer, opting instead to take Xstrata's bid. On Thursday, Falconbridge ceased to exist and Xstrata CEO Mick Davis began cleaning house. Xstrata said all Falconbridge board members, except for James Wallace, resigned at its request.

Falconbridge CEO Derek Pannell and CFO Steven Douglas are also leaving the company.

depenner@png.canwest.com

Barrick Gold rejects claims by NovaGold

BY CHOY LENG YEONG

SEATTLE — Barrick Gold Corp., which is seeking a \$1.5 billion hostile takeover of NovaGold Resources Inc., said claims against the company in a NovaGold lawsuit are unfounded.

Barrick didn't use confidential information related to its friendly bid for gold-exploration company Pioneer Metals Corp., Toronto-based Barrick said Thursday in a statement. NovaGold earlier this week filed a suit in the Supreme Court of British Columbia, claiming Barrick misused confidential information of NovaGold's Galore Creek project in northwestern British Columbia.

Barrick, the world's biggest gold producer, on July 24 agreed to buy Pioneer for \$64.7 million, or \$1 a share, topping a hostile bid by NovaGold. It also offered to pay \$14.50 for each share of Vancouver-based NovaGold. NovaGold has urged its share-

holders to reject the offer.

"The lawsuit appears to be a defensive tactic and should NovaGold actually try to advance the case, Barrick will vigorously defend this proceeding," Barrick Chief Executive Officer Gregory Wilkins said in the statement.

NovaGold fell 33 cents, or 1.7 per cent, to \$18.75 at 4 p.m. on the Toronto Stock Exchange. The shares have jumped 42 per cent since July 21, the session before Barrick announced the offer. Barrick fell 40 cents, or 1.1 per cent, to \$34.75 on the Toronto Stock Exchange. Vancouver-based Pioneer dropped one cent to \$1.09.

NovaGold is a partner with Barrick at the Donlin Creek project in Alaska. Its Galore Creek project is 75 kilometres northwest of Barrick's Eskay Creek mine.

Barrick became the world's largest gold producer in March after completing the acquisition of Placer Dome Inc.

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