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I was impressed with the information presented on stage. I also met some very successful investors.
- Vanessa Jennings, Calgary, AB.

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Food was excellent. Nice to have very well qualified people on the panel.
- Anthony D' Sousa, Toronto, ON.

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CANADIAN Real Estate Wealth

Top WEST COAST INVESTOR AWARDS 2012

2012 WEST COAST TOP INVESTOR AWARDS

Welcome to *Canadian Real Estate Wealth's* second annual West Coast Top Investor Awards. We have come a long way since last year's awards, and we have made some noticeable changes along the way. For our 2012 edition, we have modified the award categories with 10 new

awards, but the focus remains the same – to spotlight the best and most savvy investors as well as pay homage to the investment service providers in Western Canada that have helped these investors get to where they are today.

This year, there were 10 different awards, which were grouped into two categories:

TOP INVESTOR AWARDS

Investor of the Year:	Winner: Marco Silvestri
Newcomer of the Year:	Winner: Gary Spencer-Smith
Joint Venture of the Year:	Winner: Stefan Aarnio
Alternative Investor of the Year:	Winner: Nelson Camp

INVESTORS' CHOICE: TOP INDUSTRY SERVICE PROVIDER AWARDS

Online Presence	Winner: CanadianMortgageTrends.ca
Real Estate Investment Club/Association of the Year	Winner: Real Estate Investment Network (REIN)
Canadian Service Provider of the Year	Winner: Matterhorn Investments
U.S. Service Provider of the Year	Winner: U.S. Property Shop
Real Estate Agent of the Year	Winner: Corey Young, RE/MAX
Mortgage Broker of the Year	Winner: Sarah Strauss, The Place to Mortgage

THE JUDGES

Three specially-selected judges oversaw the selection of the award winners. They were:

- **Maribel Pelka** – Founder and Co-Principal, Avant-Garde Properties. She was also the winner of the Investor of the Year award at the inaugural West Coast Top Investor Awards in 2011.
- **Greg Head** – Co-author, *Secrets of the Canadian Real Estate Cycle* and Director of Strategic Real Estate Solutions.
- **Douglas Gray** – Former lawyer, bestselling real estate author, and President of Canadian Enterprise Development Group, Inc.

THE CRITERIA

The winners were chosen based on the following elements:

1. For the Top Investor Awards

- Size and sustainability of portfolio
- Team
- Systems and processes
- Training and education
- Future plans
- Marketing strategy
- Number of profitable joint venture partnerships established
- Giving back – sharing knowledge with other investors, giving back to the community, charity involvement
- Must be based and investing in Western Canada (from Manitoba to B.C.)

2. For the Investors' Choice Awards

- Whether or not the firms in question are for- or not-for-profit
- Marketing strategy

- Percentage increase in membership/client growth from the year
- Team
- Systems and processes
- Training and education
- Future plans
- Giving back – sharing knowledge with other investors, giving back to the community, charity involvement
- Only Western-based clubs or Western chapters of clubs will be considered

Nominations are now open for the next Top Investor Awards, which will be held at the Investor Forum Toronto. Open to nominees in Ontario, Quebec and the Atlantic provinces. For more information visit topinvestor.ca

2012 INVESTOR OF THE YEAR **WINNER:** **MARCO SILVESTRI**

Investing in real estate is all about luck, timing, and having a good strategy. Winnipeg-based investor Marco Silvestri has experienced all of that, making \$4 million+ profit in just nine years. *Mark David* tells his story

Real estate investors are not born; they are made. The decision to purchase that first property is a leap of faith full of calculated risks and even some uncertainties. But once the seeds of risk have been sown, there is a good chance that the investor will be able to reap the benefits of property ownership in the future.

But the decision to make that first purchase is often not an easy one. Those who want to hop onto the high-speed train that is real estate investing need to have the capital in which to make their purchase become a reality, in addition to having a sense of fearlessness. And it helps to be a dreamer as well, which accurately sums up Marco Silvestri's rise to the top.

From his humble beginnings as a plumber, to the founding of his own real estate investment firm, Silvestri Capital, the father of three has amassed a great deal of knowledge and insight, in addition to building up a large portfolio of properties

"I made more money in six months doing two fix-and-flips than I would have made all year as an apprentice plumber. It would have taken me two years to earn that"

along the way. It is for these reasons that he was selected as *Canadian Real Estate Wealth's* Investor of the Year.

Silvestri, 44, was working as a plumber in Winnipeg when he began his investment journey in 2003. Like many people before him, Silvestri drew his inspiration from another person who had achieved success as an investor.

"I was trained as a plumber and gas fitter," Silvestri recounts. "I was working on apartment blocks at the time. [I knew] a painter that owned a 99-unit apartment block, and I used to think, 'wow, he's paying us all this money to do his mechanicals and plumbing. I would be able to do this for free on my own block.' So I started thinking, 'How do I buy an apartment block?'"

As Silvestri's interest in purchasing properties grew, he turned to a well-known source to learn more about becoming an investor. "In October 2003, I read *Rich Dad Poor Dad*," says Silvestri. "And by December,



I had bought two properties, aside from my primary residence."

The first purchase

That Silvestri's foray into investing began rather quickly is no understatement. For some new investors, it often takes months before they close on their first major purchase. But Silvestri was ready to take the plunge immediately, despite having very limited funds available to him.

"I was only making \$18 an hour as a plumber apprentice," he recalls. "I didn't know what I was doing, and I made more money in six months doing two fix-and-flips than I

would have made all year as an apprentice. It would probably have taken me two years to make what I made in that timespan."

By his own admission, Silvestri remembers "being nervous" when he closed his first deal. "Having three children at home with my wife who was – and still is – a stay-at-home mother, I didn't have anyone I could ask at the time to guide me through it. So I was scared and excited, but willing, able, and ready for a new adventure."

The adventure began with Silvestri's first purchase, which was "a triplex that was being used as a rooming house," from a retired pastor from Alberta. What made this particular

JUDGES' COMMENTS

Maribel Pelka: "After talking to Marco and finding out more details about the deals and projects he is working on, I truly believe he is the best candidate for this award."

Greg Head: "Marco has had an outstanding 2012, which has led to him being named the Investor of the Year. Besides the obvious, which has been the growth of an impressive portfolio, his risk management strategies and giving back to his community is what I admire most about Marco."



LESSONS LEARNED

If there is one important lesson that Silvestri has learned as an investor, it's to always pay attention to certain specific details. "Be very particular in the details," he advises. "As the saying goes, the devil is in the details, and small things can have a huge impact on cash flow, profits and even whether or not a deal is worth it."

property on with a 100% vendor take-back and zero money down. My lawyer struck up the deal, and the vendor became the bank."

Silvestri bought the triplex at a time when the average prices in the Winnipeg market were very low. "I bought that property at a very good time in the market when – if you follow the real estate cycles – it was at the bottom," he says. "I paid \$39,900 for this property, and that was in December 2003. By August 2004, I sold it for \$79,900."

But before that happened, Silvestri needed to spend a fair amount of time renovating the property, as the previous owners had neglected certain aspects of it. He also converted it from a rooming house back into a standard triplex again.

Acquiring knowledge and developing a strategy

After selling off the triplex, Silvestri purchased another property. As his confidence in investing grew, he added more doors to his arsenal, and has since put together a portfolio which serves as a testament to his commitment to the "dream big" philosophy that has been the driving force of his career as an investor.

At some point during their journey to success, the majority of investors encounter a "light bulb moment," a moment of epiphany where they realize that they could have done something better, or wished they knew more when they were working on making their first purchase. Silvestri's "light bulb moment" occurred during a real estate business seminar



MARCO SILVESTRI'S TOP 5 TIPS FOR NEW INVESTORS

- ➡ Dream big. Stretch yourself and reach new heights.
- ➡ Invest in yourself and educate yourself. You cannot give what you do not already possess.
- ➡ Get a mentor or coach, attend seminars, and ask lots of questions.
- ➡ Have your goals written down to review and change as needed; you may have to roll with some punches and be willing to adapt, as things do not work out as planned. Enjoy the process and take your time.
- ➡ Never give up.

acquisition unique is that Silvestri himself did not initially find the deal.

"It was on the sidewalk that I made the deal with the pastor," says Silvestri. "I had been brought there by a friend, and he said, 'I don't want anything to do with the property.' So I asked my friend, 'do you mind if I continue talking to this gentleman?' because I wasn't the one who found the deal. My friend found the deal through a friend of a friend."

As it turned out, the retired pastor had been looking to sell off the triplex for quite some time. "It was rumoured that the pastor was retired, and every time someone moved out, he had to drive from Alberta to paint and fix it up," Silvestri explains.

"He and his brother-in-law were aging, and no one wanted to take care of this property for them," Silvestri continues. "So I went and offered them a solution, and I took the

MARCO SILVESTRI'S PORTFOLIO

TYPE	PURCHASE DATE	PURCHASE PRICE	CURRENT VALUE	RENT	YIELD (CASH FLOW)/PROFIT
Single-family	Aug 1996	\$61,000	\$175,000	N/A	N/A
Tri-plex	Dec 2003	\$39,900	\$79,900	\$1,950	\$1,400
Single-family	Jan 2004	\$42,500	\$84,900	N/A	\$42,400
16-unit townhouse complex	Aug 2005	\$985,000	\$2,850,000	\$15,800	\$4,800
Buy, rent and hold	Jun 2003	\$11,000	\$21,000	SOLD	\$9,000
14-suite apartment complex	Sep 2006	\$730,000	\$825,000	\$10,500	\$3,215
16-suite apartment block	Jul 2007	\$765,000	\$895,000	SOLD	\$130,000
14-suite apartment block	Dec 2007	\$535,000	\$665,000	\$8,050	\$4,000
4-suite commercial condo complex	Feb 2007	\$435,000	\$700,000	\$4,800	\$2,000
2-storey custom house	Apr 2006	\$325,000	\$425,000	SOLD	\$100,000
2-storey custom house	Sep 2007	\$365,000	\$450,000	SOLD	\$85,000
Recreational land	Sep 2009	\$265,000	\$350,000	SOLD	\$85,000
Land for 96-suite complex	Apr 2007	\$880,000	\$1,790,000	N/A	N/A
Buy, fix-and-flip	Aug 2007	\$25,000	\$55,000	N/A	\$30,000
Single-family	Jun 2009	\$180,000	\$239,900	N/A	\$47,900
Lease option one-year term	Sep 2010	\$185,000	\$185,000	\$1,400	\$1,400
Four-plex	Aug 2009	\$425,000	\$763,000	\$4,600	\$2,400
Single-family	Apr 2012	\$291,750	\$365,000	N/A	N/A
64-lot subdivision	Dec 2012	\$1,900,000	\$2,000,000	N/A	Develop & Sell
Totals		\$8,446,150	\$12,918,718	\$47,100	

"A coach or mentor will cost money, and good ones cost a lot but they can also save you thousands of thousands of dollars in mistakes and errors"

he attended with his brother. "While in a *Rich Dad Poor Dad* real estate course, my brother and I looked at each other many times wishing that we'd had this knowledge sooner," says Silvestri. "At that point, I believe that we had already acquired over 80 doors and had made some mistakes along the way."

Making mistakes is a fairly common practice amongst people who are relatively new to the investment scene, but on occasion, it happens to seasoned property investors as well. However, this, for the most part, is a solvable problem, especially with the right kind of assistance.

Silvestri advises that investors should "get a coach, mentor or both as soon as possible. Yes, they cost money, and good ones cost a lot but they can also save you thousands or hundreds of thousands of dollars in mistakes and errors."

As investors add to their respective knowledge bases, they gradually acquire more knowledge about how to close good deals, and how to get the most out of their assets. Knowledge is power, and the more knowledge an investor has, the more likely they are to take a risk and go after bigger purchases. Silvestri's

best deal to date was a relatively large-scale purchase, but his ability to assess its potential has paid dividends for him.

Silvestri's other best deals involved "wholesaling a parcel of land that I rezoned to a higher and best use variance by completing a double close," he says. "I also rezoned land in another part of the province and have seen the land value skyrocket over 400%



BEST DEAL

Silvestri's best deal by far involved some land he had purchased and eventually had rezoned for development. "I wholesaled a parcel of land that I rezoned to a higher and best use variance by completing a double close," he explains. Later on, he did the same thing "in another part of the province, and have seen the land value skyrocket over 400% in value over five years."

in value over five years.” However, he adds that his “apartment development has greater potential, by far.”

Like many investors, Silvestri employs a specific strategy when going after new purchases. The combination of “a great team, lots of due diligence and research, and fantastic terms in negotiating and financing” have been instrumental in helping him land several lucrative deals.

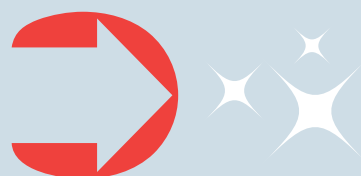
But, he adds that risk management and assessment are also vital aspects of the purchase process. “All deals have some level of risk,” says Silvestri. “It’s my job to lead a team of professionals to dig for anything and mitigate the risk as best as possible.”

The decision to focus his investing on one part of the country is another key element of Silvestri’s strategic process.

“I am a local investor in Manitoba until my two major projects are 100% completed,” Silvestri clarifies. “Unless something really great comes up, I am sitting tight right here in Manitoba.”

If he were to sum up his primary investment strategy using only three words, those words would be “buy, hold, and prosper.”

As Silvestri explains, “in amongst that, though, I develop, fix, and flip, [buy] some rent-to-owns, and conduct wholesale deals. I am always looking for a great deal, but am presently working on a large development project that is utilizing much recourse.”



5 LITTLE-KNOWN FACTS ABOUT MARCO SILVESTRI

- Has a brown belt in karate
- Enjoys watching chick flicks
- Enjoys flying, and is looking to get his pilot’s licence
- Enjoys singing, and has toured around Canada, the U.S., and London, England doing so
- Loves the outdoors and participating in outdoor activities with his family

Good investment opportunities can be found almost anywhere, and Silvestri has hinted that he would not be opposed to purchasing properties in other places in the future. He has favourable views of “the markets in Alberta, Texas, Arizona and parts of B.C.”

Looking ahead

After almost a decade of buying and selling various kinds of residential properties, Silvestri is presently not going after any new acquisitions. His focus has shifted to a new building venture which will result in the construction of many new housing developments.

“The projects that I am working on right now are development projects in areas of great need for housing,” Silvestri says. “Instead of buying, I am developing my own real estate to sell, so I am selling more aggressively than I am buying right now.”

With that being said, should a good investment opportunity ever rear its head, Silvestri would not hesitate to pursue it. Although he remains dedicated to his new housing project, he adds that this “doesn’t mean that if a gem of a deal came along, I wouldn’t put an offer on it tomorrow!”

In terms of his long-term investment goals, Silvestri has several. He hopes “to continue to grow my portfolio and develop my skills even further as an investor.” As he was once a novice investor himself, Silvestri would also like to “help teach, train, educate, coach, and mentor as many people as I can along the way to help make their lives better and happier through property investing.”

As a father of three children, another of Silvestri’s long-term goals is to help provide for their future. With his help, he believes that his children and future grandchildren will have the financial power to do whatever they please.

“I would like to set my kids and their future kids up with a legacy of financial literacy and freedom to do what they love for the love of it, so they never have to do something just for the money,” Silvestri says.

For Silvestri, investing in real estate is an endless learning process, and he learns new things with every property he buys. “I’m still learning, and I think I will always be learning at every level,” he says.



MARCO SILVESTRI'S INVESTMENT TIMELINE

- Bought first home 1996
- Read *Rich Dad Poor Dad* fall 2003
- Bought first property December 2003 triplex
- Bought second property January 2004 single
- Bought third property August 2004 single
- Bought fourth property June 2005 (first million-dollar deal; 16 townhomes)
- Bought fifth property May 2006 (14 suites)
- Bought sixth property September 2006 (16 suites)
- Bought eighth property 2006 – lot to build home to sell
- Bought ninth property 2006 – lot to build home to sell
- Bought 10th property January 2007 (14 suites)
- Bought 11th property 2007 – commercial strip mall
- Bought 12th property – land to rezone and build 96 suites
- Bought 13th property – land to rezone and build 48 suites
- Bought 14th property 2009 – fix and flip
- Bought 15th property 2009 – lease option
- Bought 16th property 2009 – fix and flip
- Bought 17th property 2009 – land to rezone and sell
- Bought 18th property 2009 – four-plex buy and hold
- Bought 19th property 2007 primary residence – sold
- Bought 20th property 2012 primary residence
- 21st property – offer to purchase on 64 lot subdivision in progress

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