

Residential part of Bear Mountain sold

CEO Len Barrie agrees in principle to sell component for \$350 million

BY ANN HUI, WITH FILES FROM DARRON KLOSTER AND ANDREW DUFFY, TIMES COLONIST JULY 19, 2009



CEO Len Barrie: "I will definitely be giving the team more time."

Photograph by: Adrian Lam, Times Colonist

Bear Mountain's president and CEO said yesterday he's agreed to a \$350-million deal "in principle" to sell part of the company's Langford development to a Dubai-based investment-holding firm.

Negotiations had been ongoing for the past six months, and as recently as two weeks ago, Len Barrie told the Times Colonist he was unsure about selling, especially since the real estate market is rebounding and condos and lots in the development are moving quickly again.

But Barrie now says both sides have come to an agreement. The deal should close by the first week of October, he said.

The deal would see Siraj Capital owning the residential component of the 500-hectare development at Bear Mountain, while Barrie and the Bear Mountain Master Partnership -- which includes 17 investors - will keep the resort and spa, including two golf courses and a hotel. The development and resort would be run separately by each group.

When completed, the residential development is expected to include more than 3,500 homes.

"We're pleased with the deal," Barrie said in a phone interview. "My motto in deals is that both sides have to be happy with it, and I think that's the case here."

Siraj Capital will be purchasing the Bear Mountain development using a sukuk, a hybrid of a share and conventional bond that Islamic investors use to avoid paying interest, something that is forbidden in Islam.

The Bear Mountain Master Partnership includes a number of current and former NHL players, including Mike Vernon,

Joe Nieuwendyk, Ray Whitney, Mike Sillinger and Rob Blake.

Barrie is also co-owner of the NHL's Tampa Bay Lightning with Oren Koules, and the two have recently been in the news arguing over the team's direction.

In response to rumours he is selling part of Bear Mountain in order to devote more time and money to the team, Barrie said, "I don't know about money, but I will definitely be giving the team more time."

ahui@tc.canwest.com

© Copyright (c) The Victoria Times Colonist