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Real-life Monopoly

Booming market has Shelter CEO riding high

By Kathleen Martens

Arni Thorsteinson is smiling. The sun is shining after days of rain and the view from his sky-high office in Osborne Village knows no bounds.

The limitless horizon illustrates perfectly how this native Winnipegger is feeling about his business these days, the business of developing multi-residential, commercial, industrial, retail and hospitality properties across North America.

"Things are going well," says the beaming president and CEO of Shelter Canadian Properties Ltd., a real estate company with a portfolio valued at more than \$880 million.

Thorsteinson also owns and operates two real estate income trusts or REITs that are public investment vehicles: Lanesborough, which acquires apartment buildings across Canada, and Huntingdon, which focuses on industrial and commercial properties.

Prime properties

In Winnipeg he holds some prominent real estate, including NewPort Centre, the downtown Free Press building, the Crocus Building, and Evergreen Towers.

It's a real-life version of Monopoly and Thorsteinson knew from a young age it's what he'd be doing.

His parents, he credits for his tireless drive, his Icelandic heritage for his work ethic, and a paper route for his financial acumen.

Yes, when this River Heights lad was 10 years old he delivered The Winnipeg Tribune to more than 200 households and doubled as the paper's assistant depot manager. He bought his first stock -- in Versatile Industries -- at age 11 for \$7. And he became his older sister's banker by regularly loaning her money at 10% interest.

"She always paid me back," he recalls, noting the siblings still enjoy a close relationship.

In junior high Thorsteinson started a yard and garden business called Ace Lawn Service that employed friends and earned him spending money well into university.

He was a lean, economic machine. And none of this activity strikes him as unusual.

"Our family was mercantile in business," explains Thorsteinson, who can trace his lineage through six generations and owns the original family homestead in Iceland.

"From an early age we talked about business. (My parents) fostered in me a self-confidence and independence that allowed me to develop a sense of entrepreneurship."

Thorsteinson's father was a superintendent at Pioneer Grain, a company owned by noted Winnipeg businessman James Richardson. Richardson was a man the young Thorsteinson admired and came to work for -- first as an intern while studying commerce at the University of Manitoba and later as a smart, real estate securities underwriter at Richardson Securities.

"I was one of the first (real estate) analysts in Canada," says Thorsteinson from his 26th floor boardroom surrounded by sketches of various mega-projects, including the \$80-million Nygard Market he is developing in the Exchange District with textile magnate Peter Nygard.

At Richardson's Thorsteinson did a lot of work for Shelter, which was founded in 1971 by prominent developer Graham Lount. He also came to know late Winnipeg media mogul Israel Asper and his then-business partner, Gerry Schwartz, who is now chairman of Onex Corp. and the husband of Indigo Books & Music CEO Heather Reisman.

When an opportunity arose to buy a piece of Shelter, Thorsteinson raised \$50,000 and jumped. He had definitely passed Go on the Monopoly board.

Passion continues

"It was exciting times," he remembers, before noting he still has the same passion for the office. "I worked long hours and was happy doing what I wanted to do."

In 1990, Thorsteinson bought the rest of Shelter and helped the company weather a North American-wide real estate recession. He says its diverse holdings helped blunt the slump.

Today the company employs 250 people and, despite owning and managing apartment, condominium, shopping centre, hotel and office complexes across North America, Thorsteinson has never considered relocating the Winnipeg-based head office.

He is active in Winnipeg's cultural and charitable pursuits with his wife, Susan Glass, a commerce student he met in university. "I'm her only child," he jokes of the couple's busy life.

He is a popular member of the commerce alumni group the Associates, and a patron of his alma mater now renamed the Asper School of Business.

Thorsteinson still puts in long hours, often returning reporters' phone calls well past suppertime, but makes time to golf and spend time on the water at Lake of the Woods.

"I'm not all work and no play," he says. After all, recharging is a good thing when there are more and more deals waiting to be made.