



RE/MAX[®]

Recreational Property Report

2013



Recreational purchasers have demonstrated renewed confidence in 2013, fuelling activity for cottages, cabins, chalets, resorts and second homes in markets across British Columbia. With the provincial election behind them, buyers who held off have re-emerged to take advantage of favourable pricing, low interest rates and a good selection of properties listed for sale. Greater confidence has given way to an upswing in demand, with five out of the six B.C. markets reporting sales ahead or on par with year-ago levels. While Comox Valley was the lone exception, the area has noted a marked improvement in recent weeks. Values remain off the peak in virtually all centres—a major impetus for those making their moves. On a year-over-year basis, starting prices have held firm or risen in nearly all recreational areas, with the exception of Salt Spring Island and Tofino, where buyers actually benefited from greater levels of affordability. Overall recovery will remain underway on Canada’s west coast, with a more vibrant market forecast in 2013 compared with recent years.

Gulf Islands

Salt Spring Island

Starting price for a three-bedroom, recreational property on one-half to one-acre of waterfront: \$559,000

After a long, rainy spring, a flurry of activity in Salt Spring Island’s recreational market may be the start of a strong 2013/14 season. Sales of properties from May 2012 to April 2013 rose a modest three units over the previous 12-month period (120 vs. 117). Many of the sales occurred in the fall of 2012 when there was a surge in homebuying. Average price jumped seven per cent, rising from \$588,060 to \$630,000 during the same timeframe, although that increase is likely closer to 1.5 per cent when the \$1 million-plus sales are removed from the equation. Activity in the past month has been brisk, spurred by several factors, including the resolution

of the HST issue and subsequent election. While local buyers still comprise about 45 per cent of purchasers, there has been a noticeable increase in buyers from Ontario and the US who now represent about 13 per cent of total recreational sales. Single-family dwellings are most popular with out of area purchasers, with the starting price for a three-bedroom recreational property on a one-half to one-acre waterfront lot hovering at \$559,000. Modest home (non-waterfront) starting prices hover at just under \$300,000. Movement is also occurring within the island, prompted by retiring recreational property owners who are moving to two-bedroom condominium apartments or townhouse units generally priced from \$269,000. Scott Point, Sunset Drive, and waterfront remain most coveted, although prices have softened in recent years and some of the sales recorded recently have been sold at close to 2005 levels. The most expensive property sold to date was priced at \$3.495 million. The residence, boasting 6,500 sq. ft. of exquisite living space, is situated on a three-acre point of land with breathtaking views. Salt Spring Island’s priciest listing is a single-family dwelling on 10 acres of land offered at \$4,995 million. Teardowns and new builds, popular in years past, have declined since 2009. Land sales are down substantially from years gone by, and land supply is ample. With tradespeople readily available, without the delays of the past, the timing to custom build is ideal. Financing remains an issue with lenders tightening loan-to-value ratio policies nationally and imposing new qualification and lending rules. Despite more stringent rules, Salt Spring Island’s recreational property market is off to a good start. Many buyers have been in the market for well over a year and are prepared to act when the right listing comes on-stream. The fall has also traditionally experienced strong activity with buyers taking advantage of price adjustments ahead of the new year. Sales of recreational properties are expected to increase year-over-year, with prices edging slightly higher by year-end.

Whistler

Starting price for a three-bedroom, mountain chalet on a standard-sized lot: \$700,000

Favourable spring weather and attractive pricing has once again drawn purchasers to Whistler’s recreational property market, with the area posting the best Q1 since 2008. The return



of Canadians to playgrounds north of the border has had an impact on demand this year, as recovery in the southern U.S. states has made bargains fewer and further between. Over the past one-year period (May 2012 to April 2013), five hundred and sixty-five sales were recorded in Whistler—virtually on par with the same period from 2011 to 2012, when 563 properties changed hands. Average price of those transactions has climbed marginally—from \$676,000 to \$695,000—an increase of nearly three per cent. While overall pricing has fallen, the increase in average price is reflective of stronger confidence, as more transactions take place at higher price points than one year ago. Demand remains steady, with sales in the past 12-month period ranging from \$44,000 to \$8.8 million. While condo prices have adjusted to a greater extent—down 12 per cent—a growing share of buyers are demonstrating a preference toward homes/chalets, given that one’s dollar is stretching further. As a result, some excellent opportunities exist for condominium and townhome purchasers ready to make their moves. Upper-end product also presents good value—off considerably from peak levels. The \$500,000 to \$1 million price point is most popular, but demand is also good for product priced up to \$1.5 million. Currently, 150 houses are listed for sale in Whistler, priced from \$539,000. The starting price for a typical three-bedroom mountain chalet, however, begins at \$700,000, with only a handful of listings available below that threshold. Greater choice exists up to \$1 million on the chalet/home side, with 30 houses now on the market. Conditions are ideal for buyers at the lower end of the spectrum as well, with 37 properties available under \$400,000. Local buyers from across British Columbia continue to be the driving force, accounting for approximately 75 per cent of transactions. International buyers—most notably from Hong Kong and Singapore—now comprise 12 per cent of purchasers. Some teardown activity continues to occur. Custom-building is on the upswing in

Whistler, with lot sales on the rise as a result of better pricing. While the supply of new homes is limited, builders have sharpened their pencils and fine-tuned asking prices due to the increased appeal of the resale side. Prices have largely stabilized, but buyers continue to flex their muscle at the negotiation table. With interest rates at historic lows, purchasers are beginning to realize that the timing may never be better to make their moves. Given that, sales activity is forecast to remain above year-ago levels through to year-end.

Comox Valley/ Mount Washington

Starting price for a two-bedroom, freehold condominium on the water: \$329,000

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$459,000

Recreational property activity was off to a slow start in the Comox Valley, as buyers sat on the sidelines waiting for the results of the much-anticipated provincial election. With stability in place, demand rose in mid-May and the market has remained quite active. The pace, however, remains slightly below average compared to years past. At present, pricing remains the strongest driver, with raw land waterfront values correcting by approximately 50 per cent since 2008 – 2009. Plenty of opportunity exists, with the starting price of a three-bedroom cabin on a standard waterfront lot now \$300,000, while a two-bedroom freehold condominium on the water is available from \$329,000. The most affordable waterfront home currently listed for sale can be had for just \$459,000. Those looking for value have plenty to choose from, with high-bank waterfront priced from \$275,000, and prime level waterfront lots now available from \$375,000 on Wilkinson Rd. The former previously commanded \$650,000 at the peak of the 2007 market. With raw land at unprecedented prices, offering the best selection in 20 years, and plenty of builders/tradespeople at the ready, it’s never been a more favourable time to custom build. On the resale side, an excellent selection of properties exists, with 90 waterfront lots and homes available. Demand is relatively healthy up to the \$800,000 threshold, with few sales taking place at the upper end price points. Comox, the Comox Peninsula





and Courtenay North remain most sought-after, with locals comprising the lion's share of buyers, followed by those from Vancouver Island and Alberta. While the waterfront areas appear to be rebounding—properties available last year, priced from \$200,000 to \$300,000, have virtually dried up—sales at Mt. Washington have slowed to a trickle, with just 15 transactions recorded in the past year. This is despite exceptional value, with quarter-shares available from \$30,000, lots listed as low as \$70,000, and resort condominiums from \$218,000 (offering six months of usage per year). Approximately 80 properties on the mountain are currently listed for sale. The most expensive sale to take place to date in the Comox Valley, at \$989,000, was a 3,300 sq. ft. waterfront home on 0.83 acres. The priciest sale in Mt. Washington pales in comparison at just \$221,000. Although demand has improved in recent weeks, it is anticipated that sales will continue to run below year-ago levels. Those willing and able to make their moves in 2013–2014 will be ideally positioned, as buyers will be hard-pressed to find a greater window of opportunity in the future.

Ucluelet/Tofino

Ucluelet: Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$549,000

Tofino: Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$769,000

After six years of sluggish activity and price adjustments, the market for recreational properties in Ucluelet and Tofino is finally poised for growth. Several factors have contributed to the slow but steady change in market conditions, including rock bottom values for waterfront condominiums and single-family homes, higher prices in markets south of the border, greater political stability now that the election is over, and improved economic performance at a provincial level. While change is unlikely to occur overnight, demand is starting to gain observable traction in Ucluelet, and to a lesser extent, Tofino. Total residential sales—including recreational property sales—between May 2012 and April 2013 are on par with the previous 12-month period (57 vs. 52), but there was a noticeable uptick in activity reported in mid-May. The gap between list and sale prices is closing as a result, with higher ratios recorded across the board. Starting price for a

three-bedroom, waterfront property is up significantly year-over-year at \$549,000 in Ucluelet, while values for similar product in Tofino are down, hovering at \$769,000. Overall prices in the area have experienced a 30 per cent correction since the spring of 2007, a fact that has not gone unnoticed. A growing number of purchasers from Vancouver Island, the Lower Mainland, Calgary and Edmonton are now making the trek toward Ucluelet/Tofino to take advantage of one of the best opportunities to buy on the West Coast in recent years. Affordability has improved substantially, with one-bedroom condominiums on the ocean starting at \$350,000 and studio apartments priced from \$200,000. On the inlet side, a one-bedroom condominium on the water could be purchased for \$150,000. The most active price point in the Ucluelet/Tofino area is \$200,000. Some purchasers are interested from an investment standpoint, given the potential return. However, changes to financing criteria over the six-year period have not made it easy to borrow. All sales in the area must be accompanied by an appraisal, and properties with an onsite rental program are increasingly difficult to finance. Still, recreational product is appealing to a wide demographic, with both young and old attracted to the area. Some of the older units in the area are getting a facelift with some minor renovation underway. Inventory levels remain healthy, with no shortage of product in any price range. A waterfront home that moved for just over \$1.5 million was the most expensive sale recorded to date.

Okanagan Valley

The Shuswap

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$585,000

Demand is on the upswing for recreational properties in the Shuswap, as an increasing number of buyers recognize the value in well-priced properties coming to market. Those active in the market are confident, as ongoing adjustments over the past few seasons have brought prices to a level almost too enticing to pass up. Nearly one dozen sales have been recorded year-to-date (May), on par with levels reported during the same period in 2012. Year-over-year average waterfront prices, meanwhile, have posted a 15 per cent decline, falling to



\$717,000 from \$825,000 (Jan 1 to May 31, 2013 vs. Jan 1 to May 31, 2012). Although financing restrictions have tightened—with bank appraisals now commonplace for recreational product—it has had a nominal impact on the market, given that many of the deals in the Shuswap are transacted in cash. Buyer’s market conditions remain firmly in place with a good selection of properties from which to choose. Yet, a significant number remain overpriced, inflating days on market. However, product that is priced right is garnering interest and moving well. The starting price for a road-access home/cottage on the waterfront remains unchanged at \$585,000, while buyers can get into a generous-sized, boat-access cabin from \$399,000 on either Shuswap or Mara Lakes—the most popular lakes in the region. Those willing to compromise can purchase for substantially less on White or Gardom Lakes, which tend to be favoured among fishing/paddling enthusiasts. The bulk of purchasers is local or hails from Alberta. Most are seeking out larger cabins or smaller homes, priced from \$500,000 to \$800,000, and located on large, private lots. It’s clear that some are snapping up some very good deals, but when it comes to listings, lowball offers are rarely successful. In fact, multiple offers—not seen in some time—have been noted, with two properties in Sicamous recently generating multiple bids. The most expensive sale recorded to date in 2013—a 3,000 sq. ft., four-bedroom log home in Scotch Creek—moved for \$1.7 million. Boomers continue to drive the renovation trend, particularly given the solid value that resale currently represents. It’s not unusual for someone who has spent \$600,000 on a recreational property or second home to invest another \$100,000 in improvements. Teardowns, though, are rare, with few older cabins available on prime waterfront. Budget-conscious buyers considering semi-waterfront (or second-row) properties may be taking a “wait-and-see” approach at the moment, due to the increased enforcement of

recently-adopted regulations governing the foreshore. These changes are curtailing the installation of docks and controlling the number and use of buoys on semi-waterfront property. Overall, conditions remain favourable, and another healthy year of recreational property activity is forecast in the Shuswap Region.

North Okanagan

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$900,000

Demand for recreational properties in the North Okanagan continues to be soft, despite waterfront prices that remain 10 to 15 per cent below peak values. Values are at their lowest level in five years, yet affordability is a considerable obstacle, with the starting price for waterfront product holding steady at \$900,000, while a more typical 1,400 sq. ft. waterfront home situated on one-third of an acre commands between \$1.2 and \$1.4 million. Buyers—both residential and recreational—remain cautious, given the current economic climate. Sales have held up year-over-year, with 39 properties changing hands between May 2012 and April 2013 compared to 40 properties in the previous 12-month period. The entry-level—from \$900,000 to \$1.1 million—is currently the strongest segment of the market, with waterfront tear-down properties and those offering ‘good bones,’ but requiring considerable renovation, most sought-after. Lakes Kalamalka and Okanagan remain coveted, with lakeshore properties generally moving for \$1 million to \$4 million. Swan Lake is also popular, sporting a slightly lower price point. Those looking for an attainable entry-point to recreational living are considering apartment-style, one-bedroom condominiums with lake access starting from \$350,000. At the higher end, two- and three-bedroom penthouses can be had from \$1 million. Inventory is more than adequate throughout the North Okanagan—140 waterfront properties are currently listed for sale. Among the area’s most prestigious listings is a \$2.1 million west coast contemporary home on a gently sloped treed lot, offering 80 ft. of frontage on Kalamalka Lake and a \$3.9 million cottage-style raised 1940s bungalow on a one-acre private lot fronting Lake Okanagan.





While Alberta’s recreational property markets continued to feel the pinch in 2012, there is clear evidence that the tide is finally turning. Activity has increased, particularly in recent months, and both of the province’s hot spots—Sylvan Lake and Canmore—are expected to see sales and prices pull ahead of year-ago levels by year-end 2013. Greater confidence has largely been behind the push, along with pent-up demand—particularly in Canmore—as well as attractive prices that remain well off peak levels. Buyers recognize that the timing and opportunity are ideal—especially in light of favourable interest rates and a healthy economic outlook. A good supply of product exists, but inventory is quickly thinning in Canmore, where the uptick in demand has been notably sharper. Most every type of product is seeing some action, from single-family homes to condominiums, teardowns and new builds. While the boomer segment has not returned in full force, young families and retirees are leading the charge for recreational product from lakefront to mountaintop. Affordability remains front and centre, as a more enthusiastic buyer pool emerges to snap up properties offering great value.

Canmore

Starting price for a two-bedroom condominium: \$225,000

Alberta’s strengthening economy has bolstered sales of recreational properties in Canmore. After a five-year lull, purchasers are finally making their moves, taking advantage of the thinning selection of single-detached homes and condominiums available at virtually every price point. Pent-up demand and softer values have contributed to the upswing. Four hundred and thirty-three homes changed hands between May 2012 and April 2013, a 32 per cent increase over the 328 units reported the 12-month period prior. Average price has remained relatively stable at \$550,000 year-over-year, in spite

of the uptick. Yet, values are expected to rise in the days and months ahead given the sheer volume of sales. The price of a two-bedroom condominium in Canmore reflects some of that upward pressure already, now starting at \$225,000, up from last year’s rock bottom price of \$195,000. Young families and retirees lead the charge for product in Canmore, with single-family homes priced between \$500,000 and \$1 million and condominiums ranging from \$250,000 to \$500,000 most sought-after. The most expensive sale so far this year was a 5,000 sq. ft. timber frame retreat, close to the river, with a price tag of \$1.925 million. Builders are demonstrating their confidence in the overall market, with new construction underway in town. From single-detached homes to multi-unit residential (duplex, fourplex), demand now exists across the board. Financing has presented some challenges, with the hotel/condominium sector most impacted by changes to lending policies. Income-producing properties that are generally part of a rental pool are meeting with resistance from banks and lenders, as they move to mitigate their risk in the market. Purchasers travelling from Calgary, Edmonton, Red Deer, and Fort McMurray represent the lion’s share of activity, although there have been some out-of-province sales. Demand is fairly evenly distributed, with no specific area experiencing a surge. The north side of town tends to attract younger families with kids, while the full-on mountain resorts—such as the Three Sisters and Silver Tip—are drawing purchasers who seek solitude and scenery. The remainder gravitate toward the downtown core where shops and restaurants are within walking distance.

Sylvan Lake

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$750,000

Sylvan Lake’s recreational property market got off to a healthy start in 2013. Although sales are slightly off year-ago levels, demand is improving, bolstered by an early spring thaw. Nine sales have been recorded year-to-date (May), compared to 12 during the same period one year earlier. Values have remained relatively stable, with the starting price for a three-bedroom, recreational property on a standard waterfront lot on par with 2012 levels, at \$750,000.



For those willing to compromise, view properties—one row back from the water—offer considerable savings. Value-conscious buyers are opting for homes within a block of the beach, priced from \$300,000 to \$450,000. An adequate selection of inventory exists, with just over 30 waterfront properties currently listed for sale. Albertans comprise the bulk of buyers, with most hailing from Calgary and Edmonton. Sylvan Lake and Pigeon Lake remain most coveted, although the water on Pigeon Lake is not as pristine. Gull Lake is also popular given its more attainable price point—starting from \$500,000. Strong interest exists for properties priced up to \$1 million, with the \$600,000 to \$700,000 most sought-after. Teardown activity is occurring, with plenty of older cabins located on Sylvan Lake, commanding an average of \$800,000, when they come on stream. Serious renovation activity is underway throughout the area. While the market has lost a portion of its buyer pool to the southern states in recent years, young families with children have stepped up to fill some of the gap. The most expensive sale recorded to date, at \$940,000, involved a 1,200 sq. ft. older cabin on Sylvan Lake, situated on a generous 80 x 200 ft. level lot—a prime candidate for major renovation or new construction. The priciest listing—a 3,200 sq. ft. home offering 146 ft. of lake frontage and a bevy of bells and whistles—is available for \$1.97 million. Overall, sales are forecast to edge ahead of 2012 levels as the market reaches peak cottage season and, should the current momentum hold, Sylvan Lake could be poised to see a modest increase in property prices for the first time in several years.



Qu'Appelle Lakes/ Last Mountain Lake

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$400,000

After an exceptionally long winter, the market for recreational properties in the Qu'Appelle Lakes area of Saskatchewan is starting to heat up. While the number of homes sold is slightly off last year's solid pace, the market is expected to play catch up in the coming weeks. Average price, however, has continued to steadily climb since 2009, given the strength at the top end. Katepwa Lake remains most sought after, with higher-end, year-round properties selling in and around the \$500,000 price point. Turnkey product is coveted, with many buyers reluctant to undertake renovations. Purchasers seeking more cost-effective options will find seasonal product starting at \$300,000 or hillside properties on smaller lakes, such as Pasqua, that offer an excellent lakeview and possible lake access. At present, the starting price for a typical, three-bedroom winterized recreational property is on par with last year's figure of \$400,000. Balanced market conditions exist throughout the area, with supply meeting demand. Unlike years past, the vast majority of today's purchasers are local, with many coming from Regina. Some buyers—baby boomers in particular—are choosing to live at the cottage year-round, taking advantage of the four-season lifestyle and commuting to the city as required. As a result, there has been a trend toward new construction, with large, substantial homes cropping up on local shorelines. Many of these properties offer more than 2,500 sq. ft. of luxury living space with walkouts to the water. Financing remains a non-issue in the province, with recent equity gains in principle residences utilized to invest in recreational properties through Home Equity Lines of Credit (HELOCs).



Lake Winnipeg

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$250,000

Pent-up demand—on the heels of last year’s severe flooding—has contributed to a serious upswing in recreational property sales throughout key areas of the province so far this year. Strong demand, coupled with a good selection of product, has provided a major boost to cottage sales, especially in areas like Lake Winnipeg, the Winnipeg River System, Lac Du Bonnet, Whiteshell Provincial Park, and smaller lakes south of Brandon. In fact, the highest recreational property sale in the region at a record \$1.2 million was recently reported on Lake Winnipeg’s west side. Solid economic performance and job security have also factored into the mix, fueling homebuying activity across the board. Teardowns are well-underway in many communities as cottagers, many of whom are empty nesters or retirees, convert their properties for year-round use. New developments within a two-hour commute from Winnipeg are now starting to crop-up on Lake Winnipeg. Starting at \$300,000, these properties are exceptionally popular with purchasers looking to retirement within five years. An offshoot of the strength of the cottage sector has been the revitalization of small rural towns in close proximity to lake communities. Just 10 to 15 minutes from the lake, these areas are drawing a mixed bag of purchasers, many of whom are willing to commute to major centres. Technology has also played a role in the success of these communities—Pinawa is a prime example—as purchasers are able to work from home. The greatest demand exists for recreational product on Lake Winnipeg, including Winnipeg Beach, Gimli and points north on the west side, as well as Grand Beach and Victoria Beach on the eastern shore of the lake. Although the typical three-bedroom recreational property on between 60 and 80 ft. of actual shoreline on Lake Winnipeg will start at \$250,000 plus, homes and cottages just off the water can be purchased for under \$150,000. Popular communities on Lake Winnipeg will command a premium, as will properties in Whiteshell Provincial Park, including Falcon Lake and West

Hawk Lake where prices start at \$500,000 plus. More value-conscious consumers may want to look at smaller lakes south of Brandon that have become increasingly sought-after in recent years as a result of the boom in the oilfield sectors in Saskatchewan and South Dakota.



While inclement weather played a role in subduing recreational property activity in early spring, momentum has picked up considerably in recent months. Although only one-third of Ontario markets are reporting sales on par or ahead of one year ago, demand has steadily climbed since May and the year-over-year gap is expected to close in the vast majority of centres. Overall, the climate remains stable, with buyer’s market conditions still largely in place. An ample supply of inventory is available across the board in virtually all price ranges. Some good opportunity exists, with 80 per cent of recreational markets in Ontario reporting prices are down or have held firm year-over-year. Innisfil to Oro and areas in Muskoka, including Bracebridge/Gravenhurst and Bala/Port Carling, are the exception, posting moderate growth in starting prices from 2012. Purchasers continue to take their time to make decisions, as most wait for the right property to come on stream. Overpriced product will stagnate in the current climate, but more buyers and sellers are on the same page this year, with overall intentions solid.

Lake Huron

Grand Bend

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$400,000

While inclement weather and high unemployment levels in the London-St. Thomas area have served to temper activity, demand for recreational properties has steadily increased in



Grand Bend in recent months. Supply of recreational product remains exceptionally healthy, with approximately 50 waterfront properties available for sale at all price points. The top end has experienced strong demand, with several sales reported well over the \$1 million price point. Buyers from Southwestern Ontario—ranging from professionals, executives and entrepreneurs to athletes—have contributed to the upswing in activity, especially in the coveted Southcott Pines area. Lots now start at \$1.2 million in the sought-after community and teardowns are ever more common. While the luxury segment continues to experience growth, sales at the entry-level price point are lackluster at best. Unemployment levels hovering at nine per cent in the London-St. Thomas area—where almost 80 per cent of cottage buyers in the Grand Bend area are from—coupled with tighter financing criteria, have dampened enthusiasm for recreational properties. As a result, the starting price for a typical, three-bedroom recreational property on a standard-sized (70 ft.) waterfront lot is down nominally at \$400,000 (compared to \$425,000 in 2012). The greatest number of sales is still occurring between \$250,000 and \$500,000, with \$300,000 the most active segment. Affordability remains an issue in the Grand Bend area, with prices climbing out of reach for many younger purchasers. Some budget-conscious consumers are choosing lakeview or second row properties priced considerably less than waterfront. These units, available under \$300,000, are typically snapped up within a couple of weeks. Overall residential sales are down marginally from year ago levels (May 2012-April 2013), although average price has appreciated 15 per cent to \$416,000, up from \$360,000 during the same period. Recreational property sales are expected to gain further momentum over the summer months, then taper back to more normal levels of activity in late fall.

Port Elgin/Southampton

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$425,000 – \$450,000

Poor weather conditions, coupled with lower inventory levels, seriously impacted sales of recreational properties in Port Elgin/Southampton this year. Just seven waterfront homes moved in the past 12-month period—down significantly from the 20 sales reported during the same period one-year earlier. The Lake Huron shoreline between Port Elgin and Southampton and the

Saugeen River offer up some of the most affordable recreational property in the province, with starting price for a three-bedroom, winterized cottage on 50 ft. of prime Lake Huron water frontage available from \$425,000 and \$450,000. Starting price is down nominally from the \$475,000 reported in 2012. With the season now underway, demand for recreational product is forecast to climb. Sales are expected to be most active between \$250,000 and \$500,000—with the most expensive recreational property moving for just over \$500,000 earlier this year.

Sauble Beach/ Bruce Peninsula

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$300,000

Demand for recreational properties in Sauble Beach/Bruce Peninsula remains healthy, gaining solid momentum in May, after a subdued start to the year. Buyers have returned to the market, although sales remain off year-ago levels due to the late arrival of spring, which impacted buyer enthusiasm. Overall, 999 residential sales (including recreational properties) took place year-to-date (May) in 2013 versus 1,184 during the same period one year earlier—representing a 16 per cent decrease. Yet, with activity on the upswing, the gap is expected to close over the busy summer season. Prices have fallen slightly year over year, as purchasers adjust to more moderate demand and a greater supply of inventory. As a result, the area offers up some of the best deals available in recent years. While a three-bedroom, winterized recreational property on a standard 100 ft. waterfront lot now starts at \$250,000 for a more rustic cottage and \$300,000 for product offering greater comforts, there have been a good number of waterfront listings as low as \$220,000 this year. Affordability remains the primary driver, with the bulk of activity taking place at the entry-level price points. If the current pace remains, starter product could be in short supply as the season progresses. While the upper end remains slow and abundance of listings exists in the \$500,000 to \$800,000 range, custom homes continue to crop up throughout the area. Lot sales are on the rise, as baby boomers and retirees build large, expensive structures boasting all the bells and whistles. A growing number of cottagers are taking up per-



manent residence. Despite the appeal of all things shiny and new, resale product remains tops with most purchasers who realize the exceptional value that exists at present. Many are pouring the savings realized into extensive renovations, and with a greater number of older, rustic cottages coming on the market this year than ever before, a new wave of renewal is expected. Lake Huron remains most sought after, while inland, Cameron Lake is a favourite among buyers. The most expensive sale recorded to date in the North Bruce Peninsula area—at \$495,000 for a three-bedroom cottage on a double lot—took place in the Big Tub area of Tobermory, an exclusive spot on the peninsula.

Parry Sound

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$225,000

After a slow start to the recreational property season, activity is now gaining momentum in Parry Sound. Cottage sales are picking up across the board. Purchasers proved hesitant at the outset, due to a return to typical (colder) spring weather coupled with the perception that much of cottage country was under water. In fact, Parry Sound was unaffected by flooding experienced in other major cottage centres. Buyers are bouncing back, enticed by the promise of summer and attractive affordability levels. Prices have remained on par with one year ago, with a three-bedroom, winterized recreational property on a standard-sized waterfront lot starting at \$225,000. Year-to-date sales, at 181 units, are off 2012 levels when 218 recreational properties changed hands—reflective of that year’s mild spring which prompted an exceptionally early start to the season. Yet, the pace is above that recorded in the first few months of 2011, when 168 properties changed hands—a sign that the market continues to gain traction, with healthy demand in place. The most active price range remains \$250,000 to \$400,000, which typically buys a year-round cottage, with full basement, and—at the higher end of this range—possibly a drilled well and septic. Those looking for more quality finishes and a few bells and whistles are driving demand in the \$500,000 to \$600,000 range. Above that threshold, the upper end of the market remains slow, characterized by an oversupply of inventory for the current level of demand. On the whole, good selection exists at most price points, including the lower end—18 properties are currently available under \$300,000, offering road access and

septics. Teardowns have become increasingly rare, as introduction of the HST has impacted the appeal of building new structures. For the same reason, lot sales are estimated to be down by approximately thirty to forty per cent. Buyers are more apt to buy an existing cottage on good waterfront and invest in renovation. The most expensive sale to take place this year was a four-season, custom-built home located on Georgian Bay in the Big Sound (about 20 minutes from Parry Sound) which changed hands for \$1.17 million. It boasted a separate coach house and an exceptionally private lot with over 400 ft. of shoreline. The priciest recreational property currently available is listed at \$2.79 million and offers custom post-and-beam construction, heated floors, a wine cellar, guest suite, steam room, flagstone foyers and outdoor stone patios, providing extensive views and exceptional frontage on Georgian Bay.

Muskoka

Bala/Port Carling

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$699,000

Sales of recreational properties in the Bala/Port Carling area have increased dramatically after a slower than usual start to the year. Inclement weather and higher than normal water levels—particularly along the banks of the Moon River—delayed the traditionally busy spring market, with many roads considered almost impassable until late April. The combination of pent-up demand and fewer listings resulted in a number of properties moving over list price in multiple-offer situations in early May. More listings have since come on stream, balancing overall market conditions in the area, with a good selection of product now available for sale at every price point. While the strongest demand continues to exist between \$250,000 and \$500,000, approximately 65 per cent of cottages sold between May 2012 and April 2013 moved for over the half-million dollar price point. The most expensive sale so far this year was a 5,200 sq. ft. retreat, boasting just over 300 ft. of water frontage and a three-slip boat-house with accommodation. The price? \$5.5 million. The larger lakes have experienced strong demand, with turnkey product most coveted. Mid-sized lakes have also been exceptionally popular, with Brandy, Leonard, Bruce and Bass most sought after. The trend toward teardowns and new builds continues through-



out the region. After an extended lull, some spec construction is occurring again on Lakes Joseph, Rosseau and Muskoka. While the next few weeks will involve some catch up, the overall recreational property market remains stable—with no peaks or valleys in sight. Buyers from the Greater Toronto Area and the Golden Horseshoe are expected to take advantage of favourable conditions, including softer values and lower interest rates, to make their moves over the next couple of months. Properties that offer better value—especially those that are well-priced and well-located—will sell quickly in Muskoka Lakes. The starting price for a typical, three-bedroom, winterized recreational property on 100 ft. of shoreline on one of the big three lakes in the area now hovers at \$699,000, while a similar cottage on a smaller lake can be had for as low as \$300,000. An abundance of inventory, offering buyers plenty of choice, will make for healthy competition among sellers this year, while purchasers continue to benefit from favourable conditions.

Bracebridge/ Gravenhurst

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$350,000

Buyers demonstrated healthy interest in Bracebridge/Gravenhurst's recreational property market out of the gate in 2013, despite a late spring and localized flooding. Sales from May 2012 to April 2013 were virtually on par with the previous 12-month period, as 94 units changed hands vs. 97. Solid confidence exists, as evidenced by a recent \$2.25 million sale on Lake Muskoka. Price appreciation continues, as values steadily work their way back, closer to pre-recession levels. Average price rose six per cent year-over-year to \$487,000 from \$458,000, but still remains well off the 2008 peak of \$539,000. As such, purchasers—most from across the Golden Horseshoe, as well as some from Europe and Asia—are still able to realize great value for the dollar. The starting price for a typical three-bedroom recreational property on a 100 to 300 ft. waterfront lot is now \$350,000. Lake Muskoka continues to be most sought-after, but commands a premium. Muldrew and Kahshe Lakes are also popular. While it is sometimes possible to get a foot in the door to recreational ownership from \$200,000 on the area's smaller lakes and rivers, listings are few and far between. Demand remains strongest at the lower end, with product priced

from \$300,000 to \$500,000 generating the lion's share of activity. Yet, with an average list price of \$820,000 in Bracebridge/Gravenhurst, it's clear that an oversupply is building at the upper end, while the market could bear more product at the entry-level. Days on market is on the rise, now hovering 90, up from 85 one year ago. Mid-level buyers—boomers in particular—are seeking turnkey, four-season cottages with beach access and privacy. Savvy vendors are taking notice and improving properties before they come to market. Renovation activity continues to increase the quality of recreational properties throughout Bracebridge/Gravenhurst, especially as the trend toward full-time retirement living continues. Teardowns have become rather scarce, as building lots are rarely available and as the cost of new construction rises. Solid fundamentals should drive the market in the weeks and months ahead. Overall, the momentum is forecast to continue, with recreational property sales in Bracebridge/Gravenhurst expected to exceed year-ago levels.

Huntsville/Lake of Bays

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$300,000

Late spring flooding in Huntsville/Bracebridge and the surrounding areas made for a soggy start to the 2013 recreational property market. While sales of cottages on nearby lakes and rivers including Lake of Bays have softened, the 27 properties reported sold in the Muskoka Region between January and April are just seven units short of last year's healthy levels.





The vast majority have occurred under the \$500,000 price point, although there have been a number of multi-million dollar properties sold. As the season progresses, the gap in sales activity between 2012 and 2013 is expected to close. Starting price for three-bedroom, winterized recreational product on a mid-sized lake has remained stable at \$300,000, although smaller lakes in the area may offer similar product at a greater discount. Lakes Vernon, Fairy, Mary and Peninsula continue to be exceptionally popular, particularly with purchasers from the Golden Horseshoe, including the Greater Toronto Area, Kitchener-Waterloo and Hamilton-Burlington. More affluent purchasers tend to prefer Lake of Bays where cottage prices start at \$550,000. Purchasers overall remain committed to ownership, many with an eye toward retirement. The trend has prompted a number of proposed residential developments on the water in the Huntsville area, enticing retiring cottage owners with modern, multi-unit properties offering contemporary finishes with all the bells and whistles in close proximity to town services and amenities. Given the upswing the market has experienced to date, the later than usual start to the year is unlikely to hamper year-end performance. Sales of recreational product are expected to match, if not exceed, 2012 levels, while values continue their moderate ascent.

Haliburton

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$240,000 – \$250,000

A late spring thaw, combined with a state of emergency in neighbouring Minden, hampered sales of recreational properties in the Haliburton Highlands in 2013. Twenty cottages have changed hands between January and April of this year, compared to 25 during the same period one year ago. However, a stable economic environment and low interest rates are expected to prop up activity in the coming months, bringing sales more in line with 2012 levels. In fact, properties priced at \$400,000 and less on sought-after lakes—including Hull, Boshkung, Twelve-Mile, Horseshoe, Mountain, Kashagawigamog, Gull, Bob and Sawyers—have experienced a flurry of activity in recent weeks. Sales at entry-level price points, as well as those in the top end, are starting to gain momentum. Starting price for a three-bedroom, winterized recreational product on a standard-sized waterfront lot hovers at \$240,000 to \$250,000—a figure on par with 2012 levels. As in years past, purchasers from the

Greater Toronto Area are fueling demand for recreational products, many drawn to the natural beauty of the area and the attractive price point. A good selection of product can be found in virtually every price range in the Haliburton Highlands, including prestigious Drag, Kennesis, and Redstone Lakes. Given the propensity toward turnkey homes, only 10 per cent of purchasers are willing to invest in a handyman's special. Teardowns are rare, although renovation is underway. Multiple offers have occurred sporadically throughout the year, most often on sought-after product listed on the area's premier lakes. Given the four-season use of cottages in Haliburton—thanks to nearby ski hills at Sir Sam's and snowmobile trails—demand for waterfront is expected to remain steady, with recreational property sales reaching parity with 2012 levels by year-end.

Georgian Bay

Honey Harbour/ Port Severn

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$375,000

Sales of recreational properties climbed modestly year-over-year in Honey Harbour/Port Severn. Despite the slow start to the season as a result of inclement weather, prices have held up—on par with 2012—but remain off peak levels by 10 to 15 per cent. Attractive values have been a considerable impetus for buyers, who are making their moves with greater confidence. Renewed interest at the upper price points is solid evidence of that enthusiasm. Two cottages have moved for over \$1 million this year, while another sold for \$750,000. Yet, the entry-level and mid-range remain the strongest segments of the market, with product priced from \$250,000 to \$600,000 moving well. Gloucester Pool, Six-Mile Lake, Go Home Lake and Georgian Bay remain most coveted. Selection is favourable at all levels, although the market could tolerate more listings at the coveted \$400,000 to \$500,000 range. Premiums are being paid for cottage properties offering privacy, good water quality and depth, as well as easy access. The starting price for a typical three-bedroom, winterized recreational property on a standard waterfront lot has held steady at \$375,000. A similar water-access property starts at \$250,000. Those looking for value can find



water-access cottages ranging from \$100,000 to \$400,000, depending on size, condition and location. The renovation trend continues at all ends of the spectrum, and most cottages in the area have seen some form of improvement. Building lots are now few and far between, although the odd teardown has been noted. The most expensive recreational property sale recorded to date—at \$1.6 million—was located on Georgian Bay. It offered timber-frame construction, 3,000 sq. ft. of living space and 400 ft. of water frontage. The most expensive listing currently available boasts a sticker price of \$8.2 million and offers 4,000 ft. of shoreline and two residences on seven acres of property. Overall, the market is expected to remain healthy, with sales up modestly over year-ago levels. Good co-operation has been noted among vendors and purchasers this year, with deals coming together with greater ease. With an abundance of choice, buyers will wait for the right product to come on stream.

Collingwood

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$600,000

Ski enthusiasts continue to bolster demand for recreational properties in Collingwood and the surrounding areas, with year-to-date sales up eight per cent over one year ago. Four hundred and sixty-five properties have changed hands to date, compared to 431 units between January and April 2012. Average price is also on the upswing, particularly in town, where values have climbed significantly over the past 12 months. Professionals, executives, and financiers are currently driving demand for condominiums—both in town and in prime ski areas—chalets and waterfront cottages from Collingwood to Thornbury. The bulk of sales is occurring at the popular \$200,000 to \$400,000 price point, although the number of recreational properties sold from \$600,000 to \$1 million is up considerably over last year. In fact, four sales have occurred over the \$1.5 million price point so far this year. While inventory levels are down marginally from last year, a good selection of product is available across the board. As in years past, properties that are well priced and in good locations tend to sell quickly, while those that are overpriced continue to stagnate. Overall sales of condominiums are holding their own—particularly at Intrawest—although prices at the lower-end of the spectrum have plateaued to some extent. High-end product, on the other hand, has increased in tandem with renewed interest. While the proximity to Blue Mountain

is a major draw for ski enthusiasts, the waterfront continues to attract purchasers to the area. Starting prices for a three-bedroom recreational property on a standard-sized waterfront lot from Collingwood to Thornbury remain at \$600,000—a figure on par with one year ago. While cottages on Collingwood's east side can be purchased for considerably less—starting at \$450,000—most purchasers prefer a sandy beach shoreline as opposed to shale and rubble. This is particularly true when water levels, while up, remain well below the norm for the area. The teardown phenomenon, prevalent in the Collingwood area in recent years, has finally retreated as high-end builders take pause. A good supply of newer product—under five years of age—has kept prices in check, which has in turn impacted new construction. Changes to recreational financing criteria have had a minimal impact on the market. Those serious about ownership have financing in place well before they look at listings. The season for recreational properties is strongest between March and July, and this year is no different. Sales are expected to maintain their lead, exceeding last year's level by one or two per cent by year-end 2013. Overall, the average price of recreational product in Collingwood is forecast to remain steady, posting a nominal increase over the 2012 figure.

Midland/Penetang/ Tiny/Tay

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$450,000 – \$500,000

Traditional cottage areas in Midland, Penetang, Tiny and Tay Townships are undergoing transformation as aging baby boomers, looking to retire and take up full-time residence, change the existing landscape. The spike in demand for year-round amenities has prompted an upswing in residential development in lakefront communities. The view to retirement is also bolstering the quality of product overall, and—for the first time in a long time—it's become evident that more buyers are willing to sacrifice location for product. Demand however, remains off year-ago levels, in large part due to a winter's relentless grip on the market, and to a some extent, buyers looking at recreational options in nearby markets, as well. In the past 12-month period, the board recorded 480 sales versus 541 during the same period one year earlier (May 2012 to April 2013 vs. May 2011 to April 2012)—a decline of 11 per cent. Yet, there is evidence that confidence



Wasaga Beach

Starting price for a three-bedroom, winterized recreational property on a standard-sized beachfront lot: \$499,000

is improving. While sales remain soft at the upper end, activity is building at the mid-level, with solid demand reported in the sought-after \$450,000 to \$600,000 price range. A good supply of product is available at virtually every price point, although selection is tighter at the more popular beaches in the area. Buyer's market conditions continue to prevail. Well-priced product will garner interest and offers, while overpriced cottages will largely stagnate in the current climate. Prices have remained relatively stable year-over-year, although some listings—overpriced at the outset—have experienced adjustments. Teardowns are fewer and further between and waterfront lots are scarce, but some custom building is taking place on off-water lots. Renovation activity is occurring, although the pace has eased from previous levels. Current conditions have allowed buyers to be more discriminate, with many opting for more turnkey properties. While the price of a three-bedroom, winterized recreational property on a standard-sized waterfront lot remains steady at \$450,000 to \$500,000, those purchasers willing to compromise can find off-water or waterview cottages under \$250,000. While Georgian Bay remains most popular, inland lakes, including Farlain and Orr, are also coveted—offering recreational product starting from \$300,000 to \$325,000. The most expensive waterfront home to sell this year changed hands for \$1.3 million at Midland Point and offered 3,300 sq. ft. of living space on 155 ft. of shoreline. The priciest listing boasts over 1,000 ft. of pristine shoreline, available for \$2.75 million.

Retirees and empty nesters from the Greater Toronto Area continue to positively impact sales of recreational/residential properties in Wasaga Beach. Despite lower than usual water levels—especially on the Nottawasaga River—purchasers remain committed to ownership in the area. Residential sales for single-family dwellings (including waterfront recreational) are up 2.5 per cent year-to-date (167 vs. 162), while the number of homes sold year-over-year (May 1, 2012 through to April 30, 2013) are up about four per cent. Average prices have increased modestly, rising from \$272,400 at the end of May 2012, compared to \$273,782 at the end of May 2013—an upswing of 0.5 per cent. April was the strongest month for sales in 2012 and again in 2013. The most active price range in Wasaga Beach is between \$225,000 and \$300,000. While inventory levels remain adequate, supply is tighter under the \$200,000 price point. Demand is greatest for permanent residential product in the area, as opposed to recreational or cottage properties. Over the past 10 to 15 years, a number of large builders have developed affordable neighbourhoods in close proximity to the beach that are popular with the baby boomer demographic. Although demand still exists for recreational product, the average buyer is more interested in full-time residency in this year-round community. A variety of beachfront properties are currently listed for sale, with the typical, three-bedroom, winterized home on 50 to 60 ft. of waterfront starting at \$499,000. Similar product on the Nottawasaga River's boating section can be purchased from \$350,000. Purchasers seeking more affordable product may want to consider waterfront lots with rocky shorelines in the west end of Wasaga Beach priced from \$299,000. Teardown activity continues within Wasaga Beach, with streets north of Mosley St. (towards the beachfront) most sought-after. The landscape is changing as newer, larger homes are being erected where older, smaller cottages once stood. Given the current momentum in the overall residential/recreational market, sales are expected to continue at a healthy pace, finishing the year slightly ahead of 2012 levels. Prices should experience a modest increase by year-end.



Lake Simcoe/ Lake Couchiching

Innisfil to Oro

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$550,000– \$575,000

With travel time playing an increasingly important role in the recreational lifestyle, properties in close proximity to the Greater Toronto Area are experiencing a renaissance. The Western shoreline of Lake Simcoe, in particular—from Innisfil to Oro—has seen a serious upswing in demand, yet only 60 properties are currently listed for sale. Aging baby boomers are propping up demand for recreational product in the area, with most buyers seeking 100 or more feet of water frontage. The median price for cottages in the Innisfil area remains high at \$910,000, while more affordable product can be found in Oro at \$680,000. The most expensive property currently listed for sale on Kempenfelt Bay has a price tag of \$18 million. Teardowns continue to occur at a breakneck pace as more and more properties are converted to year-round homes. Of the 28 sales that occurred in Oro last year, 80 per cent of properties are slated for new construction. While the trend toward full-time residence has changed the cottaging mindset, the Friday Harbour development has shifted the landscape. With its upper-end price point, the multi-unit residential/commercial/marina concept in its early marketing stages has also helped to boost recreational property values in Innisfil, particularly in the bays just north and south of the project. The price of a typical, three-bedroom winterized recreational property on a 50 ft. waterfront lot now starts at \$550,000 to \$575,000, up from \$520,000–\$530,000 last year. The smaller lot sizes tend to be found in more residential communities—as opposed to recreational—such as the 9th line in Innisfil, parts of Belle Ewart, and Oro’s 9th line, 14th line, and 15th line. Approximately one hour from the GTA straight up the 400, the convenience of location is making up for the lack of Canadian Shield. Eleven properties have sold between Innisfil and Oro in the first four months of 2013, up two units from one year ago. Despite the slow start to 2012, a vibrant fall market brought the number of recreational property sales to 51 at year-end. The 2013 market is expected to match or slightly exceed last year’s pace.

Kawarthas

East Kawarthas

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$300,000

Extensive rain and some flooding hampered recreational property sales out of the gate in 2013, impeding showings and dampening overall enthusiasm. Yet, improved conditions in recent weeks have bolstered intentions and the momentum is now in line with last year’s levels. Three-hundred and eighty-six recreational properties changed hands in the East Kawarthas over the past 12-month period (May 2012 to April 2013), compared to 388 during the same period one year earlier. While prices have remained relatively stable, average price climbed slightly to \$369,000 from \$357,000. Buyer confidence has been a factor and affordability continues to bolster demand in the area. Entry-level properties remain most coveted, with those listed under \$300,000 moving best. Given the recent trend toward retirement living, many purchasers are willing to ante up for turnkey, four-season properties. Renovation continues unabated, as owners add square footage or enhance the quality of existing cottage product. In traditional fashion, Buckhorn, Pigeon and Chemong Lakes are drawing solid interest, with cottages priced from \$250,000 to \$600,000 moving well. While Stoney and Clear Lakes tend to host the East Kawarthas’ most prestigious recreational getaways, the most expensive sale so far this year was recorded at Mississauga Lake for \$1.6 million. The appeal?—clear water, good fishing and greater privacy. The starting price for a typical, three-bedroom, winterized recreational property on a standard one-third to a half-acre lot





remains unchanged at \$300,000. Days on market has held up, hovering around 90 days. Overall, the market for recreational properties has continued to improve, with waterfront sales in the East Kawarthas on track to finish the year above 2012 levels.

Prince Edward County

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$250,000 – \$300,000

A harsh winter followed by a cold, wet spring set the stage for a slower than usual recreational property season in Prince Edward County. Eighty-six properties changed hands between May 2012 and April 2013, down just over six per cent from the 92 units reported sold in 2011/2012, but up slightly over 2010/2011 levels. While most price points registered a decline, the over \$1 million segment bucked the trend with a substantial increase in recreational property sales, bringing the total number of units sold to six (up from two one year earlier). The most expensive sale in 2013 has been a \$1.75 million waterfront estate with 21.4 acres overlooking South Bay off Prince Edward Bay. Buyers from Ottawa, as well the Greater Toronto Area, have been in large part responsible for the upswing in the top end of the market. Serious equity gains on principle residences over the past decade in the major centres have allowed purchasers to finance second properties. Affordability continues to be top of mind with consumers, with 43 per cent of sales occurring between \$250,000 and \$500,000. While most are seeking level waterfront ideal for swimming and boating, some value-conscious buyers are opting for view properties overlooking area lakes at lower price points. The price of a three-bedroom, winterized recreational property on 40 to 60 ft. of water frontage remains on par with year-ago levels, starting at \$250,000 to \$300,000. Although an ample supply of recreational properties exists on the various lakes and bays in the area, including West, East, Consecon, Bay of Quinte, Weller's Bay and Lake Ontario, tighter inventory levels have been reported between \$300,000 and \$400,000. Teardowns are rare in the Prince Edward County area this year, given fewer cottages and vacant lots available for sale.

Eastern Ontario

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$250,000

While sales remain slightly off year-ago levels, Eastern Ontario has recorded a positive start to the recreational property season in 2013, with healthy levels of demand. If sustained, the market could see inventory levels tighten in the months ahead—particularly at the most coveted price points. Over the past 12-month period, 367 recreational properties changed hands, down modestly from 388 recorded one year earlier. Average price has climbed nominally, rising to \$414,086 from \$413,246. The bulk of sales are occurring between \$250,000 and \$500,000, although activity is solid across the board—including the upper end. An uptick in the mid-range (\$500,000 to \$1 million) was notable year-over-year. The starting price of a three-bedroom, winterized cottage on a standard waterfront lot remains unchanged at \$250,000, although those willing to compromise can get in for less. An adequate selection of inventory is available in the region. Building lots are selling well, as a growing number of buyers—boomers in particular—opt to custom build permanent residences on the lakes. Manotick, Merrickville, Constance Bay, Dunrobin, Arnprior, Renfrew, the Mississippi and Ottawa Rivers, Calabogie, the Thousand Islands and Perth continue to be popular cottage areas. The latter, with waterways leading to the Rideau Lakes, is most sought-after, with prices starting from \$350,000. Some, seeking greater privacy, rustic calm and pristine lakes, are opting to look across the provincial border in Québec, where good value can also be had. Teardowns and renovations are a strong trend underway in the region, continuing to transform the landscape and the mix of product in cottage country. For example, once entirely dotted with modest recreational product, 50 per cent of the structures on Otty Lake, near Perth, is now primary residences. Developers continue to bring residential offerings closer to the waterfront, with view properties cropping up in a number of areas. The most expensive sale recorded to date in the resale recreational market was a \$1.2 million, four-bedroom home, located on over two acres of professionally landscaped property in Manotick, on the Rideau River. The most expensive waterfront offering in the Ottawa region, at \$3.15 million, is a contemporary home, fronting the Rideau River, with floor to ceiling windows, tennis court, swimming pool, and state-of-the-art home theatre. With listings like this, there's no question the bar is being raised in



recreational property markets. Activity is heating up into the traditional summer season, with sales forecast to match or exceed the level posted in the previous 12-month period.



South Shore/ Lunenburg

Starting price for a three-bedroom, winterized recreational property on a standard-sized oceanfront lot: \$225,000

The South Shore's recreational market continues to feel the combined effects of a late spring and a slowing local economy. Tighter lending restrictions have played a role as well, with an increase in bank appraisals stymieing some deals. Price adjustments are occurring—which may improve the current climate in the weeks ahead—as sellers adjust expectations. Strong buyer's market conditions exist, with a good selection of listings across all price ranges. Sales remain off last year's levels by 33 per cent, despite a short-lived spurt of homebuying activity in March and April. Twenty-nine recreational properties changed hands between May 2012 and April 2013, compared with 43 properties during the same period one year earlier. Those who are seeking out properties are cautious in their approach, content to wait for the ideal listing to come on-stream at the right price. As a result, days on market are up considerably. Product that is move-in ready is drawing the lion's share of interest, although most purchasers are willing to take on some cosmetic work. Prices have eased over year-ago levels. As a result, affordability remains exceptionally favourable. The starting price for 900 to 1,400 sq. ft., three-bedroom oceanfront property located on a standard 100 ft. lot is now \$225,000. A similar lakefront property can be had from \$150,000, while non-winterized product starts from \$100,000. Interestingly, despite softer pricing, average price has climbed year-over-year—from \$140,000 to \$146,000—as buyers, realizing the exceptional value and opportunity that exists, have made more substantial moves. Demand is strongest under the \$250,000 price point. The area continues to experience

an increase in full-time cottage living, as a growing number of retirees and those opting to commute to work secure ownership. Locals—most active in the marketplace—have demonstrated a clear preference for the inland lakes, with Ponhook and Molega Lakes most sought-after. At the upper end, the Lahave River remains very popular, with riverfront properties offering exceptional views and access to premier boating available from \$350,000. People from out of province and ex-pats returning for retirement are opting for oceanfront homes with quality finishes and amenities. While American and German buyers have stepped back in recent years, those from the U.K. have established a solid presence. The most expensive sale over the past 12 months occurred in Chester at \$1.4 million. The most expensive recreational property currently listed is an island in Mahone Bay sporting a sticker price of \$895,000. While activity will climb into the summer months, demand is expected to fall short of 2012 levels. Buyer's conditions should remain in place for the remainder of the year, providing an exceptional window of opportunity for those ready to commit to recreational property ownership.



Shediac Bay

Starting price for a three-bedroom, winterized recreational property on a standard-sized oceanfront lot: \$300,000

Softer demand for recreational product has hampered sales in the Shediac Bay area this year. Inclement weather, fewer American purchasers, and concerns over changes to financing criteria are just some of the factors that have contributed to the year-over-year reduction in the number of properties sold. Yet, waterfront values have held relatively steady, with those ideally located maintaining their value. Affordability continues to resonate with purchasers, with the Shediac River providing entry-level product starting at \$150,000. The price of a three-bedroom, winterized recreational property on 50 ft. of prime Northumberland Strait shoreline will start at \$300,000 plus. The most expensive sale so far this year was a nine-acre, waterfront prop-



erty featuring a 4,000 sq. ft. home priced at \$1,025,000. June is typically the strongest month for recreational product. Sales are expected to rebound in the months ahead as the traditional spring market gains momentum. By far, the greatest demand exists for properties priced up to \$250,000, spurred in large part by out-of-province purchasers. Location continues to play a major role in the decision to buy a recreational property, with an increasing number of purchasers planning for retirement. The trend towards teardowns and renovation continues unabated as buyers convert seasonal properties to accommodate year-round lifestyles. A good selection of recreational product is available at virtually every price point. Popular areas include the Northumberland Strait, Bouctouche Bay, and the Shediac River.

The North Shore continues to be most sought-after, prized for its beaches, national parks, golf courses and the famed Green Gables Heritage Place. The buyer pool remains quite diverse, including locals, Ontarians, and purchasers from across Western Canada. Most are attracted to the area's exceptional affordability and access to the warmest ocean waters north of the Carolinas. Baby boomers and retirees are the primary drivers of activity, many of them snowbirds, who will take up residence for six months of the year. This demographic is fuelling demand for better quality, winterized product—less cottage like, with more of the creature comforts of a traditional home. As a result, renovation activity is on the rise. The market for building lots has been solid—particularly as prices have softened slightly in light of supply. Parcels range from \$25,000 to \$250,000. With contractors and tradespeople readily engaged, one could build a 1,000 to 1,200 sq. ft., seasonal home situated one or two rows back from the beach for under \$200,000—inclusive of the cost of land. Oceanfront lots have become fewer and further between, as have teardowns, given the preference toward renovation and municipal red-tape in obtaining oceanfront approvals. While demand at the upper end has eased, a few select properties have moved. The most expensive?—a \$399,000 home located on 5.39 acres, offering 645 ft. of frontage on the Trout River. PEI's most exclusive oceanfront listing at present will set buyers back \$6.95 million. The property offers a more than 13,000 sq. ft. estate home on 11 acres of land with plenty of privacy and expansive ocean frontage in Cable Head (East). Overall, the recovery of the PEI recreational market can be characterized as 'slow but steady,' despite demand climbing by approximately 20 per cent in 2012 after several years of below-average momentum. Although an increasing number of buyers are com-



North Shore/ South Shore

Starting price for a three-bedroom, winterized recreational property on a standard-sized oceanfront lot: \$350,000

Despite a cold, wet spring that somewhat dampened buyer enthusiasm, recreational property sales remain on par with 2012 levels in Prince Edward Island. Buyers continue to be cautious in their approach, taking their time to make decisions, given a generous selection of product available. The starting price for a three-bedroom, four-season oceanfront home on a standard waterfront lot now stands at \$350,000. Yet, those seeking greater affordability have plenty of options in Prince Edward Island. Seasonal waterfront product is priced from \$150,000-plus, and there is a limited selection of freehold townhomes available steps from the water, priced from \$235,000, plus HST. Greater value can also be found on the South Shore, where one recent listing offers oceanfront on the Northumberland Strait, with great views and sandy beach for just \$165,000. The entry-level remains in greatest demand, as the bulk of purchasers seeks out recreational properties priced between \$150,000 and \$225,000.





ing from further afield, Americans have yet to return in notable numbers. Yet, the pace is expected to remain stable, with sales forecast to mirror year-ago levels, while prices hold firm.



Newfoundland Coast (East)

Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$150,000

An overall softening in the recreational property market on the Newfoundland Coast can be attributed to two significant factors in 2013—the late onset of spring and the release of approximately 300 lots of Crown Land, offering waterfront parcels from as low as \$56,000. As a result, there has been an upswing in new construction, while existing cabins take longer to move, with days on market up considerably year-over-year. A generous supply of recreational product is currently listed for sale in all price ranges. Price adjustments continue to occur as vendors move in line with current market realities. Affordability remains quite favourable in the area, with a small, winterized cabin off the water starting from \$95,000. Those seeking properties on inland lakes can secure a waterfront cabin from \$150,000. The lion’s share of activity is occurring under \$200,000, as buyers at and above that threshold opt to purchase land and build new. Deer Park, Brigus Junction and Ocean Pond remain most sought-after among locals, who comprise 95 per cent of the buyer pool. An increasing number are living in their cabins full-time and commuting to work. With some recreational areas just 40 minutes from the city, the trend is expected to strengthen in the years ahead. Although an ample

inventory of seasonal cabins remains, the renovation phenomenon has gained momentum on the east coast as baby boomers re-define recreational living—bringing more four-season product on-stream through conversions and improving the overall quality of existing recreational cabins/homes. Those from out-of-province are more likely to seek out oceanfront properties—starting from \$100,000 and reaching into the upper end—in areas throughout the coast. Yet, this year, sales at the upper end remain few and far between. The most expensive recreational property to change hands was a newer 2,500 sq. ft. home on a pond in Deer Park. The most expensive listing at \$799,000—also located in Deer Park— features 4,000 sq. ft. of living space, a detached garage, pool, tennis courts, and a wharf on exceptional pond frontage. Value continues to be a strong theme characterizing the Newfoundland Coast’s recreational property market, and buyer’s conditions are forecast to remain in place for the next year—or two—until the current supply of crown land is absorbed.



Starting Prices for Recreational Properties ¹

Market	2009	2010	2011	2012	2013
BRITISH COLUMBIA					
Okanagan Valley:					
North Okanagan	\$1,200,000	\$1,150,000	\$995,000	\$900,000	\$900,000
The Shuswap	n.a.	n.a.	n.a.	\$585,000	\$585,000
South Okanagan	\$800,000	\$800,000	\$800,000	\$610,000	\$649,000
Fraser Valley:					
Cultus Lake	\$450,000	\$800,000	\$800,000 – \$1,000,000	\$650,000	\$799,000 – \$1.2 million
Harrison Lake	n.a.	n.a.	\$350,000 – \$400,000	\$365,000 – \$499,000	\$289,000
Vancouver Island:					
Tofino ²	\$789,000	\$875,000	\$825,000	\$795,000	\$769,000
Ucluelet ²	\$555,000	\$499,000	\$529,000	\$500,000	\$549,000
Comox Valley/Mt. Washington	\$500,000	\$475,000	\$400,000 ⁴ – \$700,000 ¹	\$92,000 ⁴ – \$400,000 ¹	\$329,000 ⁴ – \$459,000 ¹
Whistler ⁵	n.a.	\$799,000	\$700,000	\$700,000	\$700,000
Gulf Islands: Salt Spring Island ²	\$890,000	\$750,000 – \$800,000	\$669,000	\$597,000	\$559,000
ALBERTA					
Sylvan Lake	\$1,125,000	\$1,200,000	\$800,000	\$750,000	\$750,000
Canmore ⁴	\$295,000	\$270,000	\$229,000	\$195,000	\$225,000
SASKATCHEWAN					
Qu'Appelle Lakes/ Last Mountain Lake	\$300,000 – \$350,000	\$400,000	\$400,000 – \$500,000	\$400,000 – \$500,000	\$400,000
MANITOBA					
Lake Winnipeg	\$300,000	\$250,000	\$280,000	\$250,000	\$250,000
ONTARIO					
Eastern Ontario:	n.a.	n.a.	n.a.	\$250,000	\$250,000
Barry's Bay/Combermere	n.a.	\$200,000	\$300,000	\$289,000	\$249,000
Bancroft/Coe Hill	\$260,000	\$235,000	\$265,000	\$275,000	\$250,000
Apsley	\$375,000	\$400,000	\$389,000	\$399,000	\$399,000
Kingston	\$250,000 – \$270,000	\$290,000	\$300,000	\$250,000	\$260,000
Prince Edward County	\$200,000 – \$250,000	\$200,000 – \$250,000	\$300,000	\$265,000 – \$300,000	\$250,000 – \$300,000
East Kawartha	\$195,000	\$225,000	\$300,000	\$300,000	\$300,000

Source: RE/MAX

¹Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot

²Oceanfront property

³Beachfront property

⁴Two-bedroom condominium

⁵Mountain chalet

⁶Water-access only

Starting Prices for Recreational Properties ¹

Market	2009	2010	2011	2012	2013
ONTARIO					
Lake Simcoe/Lake Couchiching:					
Beaverton	\$300,000	\$375,000	\$300,000	\$329,000	\$329,000
Lagoon City	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Innisfil to Oro	\$500,000	\$520,000–\$530,000	\$520,000–\$530,000	\$520,000–\$530,000	\$550,000–\$575,000
Orillia	\$425,000	\$430,000	\$440,000	\$450,000	\$450,000
Georgian Bay:					
Wasaga Beach ³	\$525,000	\$570,000	\$640,000	\$640,000	\$499,000
Midland/Penetang/Tiny/Tay	\$500,000	\$550,000	\$500,000–\$600,000	\$450,000–\$500,000	\$450,000–\$500,000
Collingwood	\$390,000–\$550,000	\$600,000	\$600,000	\$600,000	\$600,000
Honey Harbour/Port Severn	\$400,000–\$425,000	\$450,000	\$450,000	\$375,000	\$375,000
Muskoka/Haliburton:					
Haliburton	\$240,000–\$350,000	\$350,000	\$325,000	\$240,000–\$250,000	\$240,000–\$250,000
Huntsville/Lake of Bays	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Bracebridge/Gravenhurst	\$350,000–\$400,000	\$325,000	\$325,000–\$350,000	\$325,000–\$350,000	\$350,000
Bala/Port Carling	\$450,000	\$450,000	\$500,000–\$550,000	\$650,000	\$699,000
Parry Sound	\$185,000	\$219,900	\$225,000	\$225,000	\$225,000
Lake Huron:					
Sauble Beach/Bruce Peninsula	\$350,000	\$350,000	\$350,000	\$330,000	\$300,000
Port Elgin/Southampton	\$450,000	\$450,000	\$450,000	\$475,000	\$425,000–\$450,000
Grand Bend	\$400,000	\$425,000	\$475,000	\$425,000	\$400,000
PRINCE EDWARD ISLAND					
North Shore/South Shore ²	\$300,000	\$300,000	\$300,000–\$350,000	\$300,000	\$350,000
NOVA SCOTIA					
Cape Breton	n.a.	n.a.	\$279,000	\$175,000–\$250,000	\$210,000
South Shore/Lunenburg ²	\$230,000	\$230,000–\$240,000	\$230,000–\$240,000	\$245,000	\$225,000
NEW BRUNSWICK					
Shediac Bay ²	\$200,000	\$230,000	\$450,000–\$500,000	\$375,000–\$425,000	\$300,000
NEWFOUNDLAND & LABRADOR					
Newfoundland Coast (East)	n.a.	n.a.	n.a.	\$150,000	\$150,000

Source: RE/MAX

¹Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot

²Oceanfront property

³Beachfront property

⁴Two-bedroom condominium

⁵Mountain chalet

⁶Water-access only



Recreational Property Report 2013

NATIONAL CONTACTS

RE/MAX Ontario-Atlantic Canada	David Brown	905-542-2400
RE/MAX of Western Canada	David Geraghty	250-860-3628
Point Blank Communications	Eva Blay/Charlene McAdam	416-781-3911

LOCAL CONTACTS

Market	Contact	Office	Phone
BRITISH COLUMBIA			
Okanagan Valley:			
North Okanagan	Norm Brenner	RE/MAX Vernon	250-549-4161
South Okanagan	Diane Fox	RE/MAX Penticton	250-492-2266
The Shuswap	Ken Magel	RE/MAX Vernon	250-832-7051
Fraser Valley:			
Cultus Lake	Bill Mitchell	RE/MAX Nyda Realty (Agassiz)	604-858-7179
Harrison Lake	Allan Roth	RE/MAX Nyda Realty (Agassiz)	604-796-3000
Vancouver Island: Tofino/Ucluelet	Judy Gray	RE/MAX Mid-Island Realty (Ucluelet)	250-726-2228
Whistler	Ann Chiasson	RE/MAX Sea to Sky Real Estate	604-932-2300
Comox Valley:			
Comox Valley/Mt. Washington	Dave Procter	RE/MAX Ocean Pacific Realty	250-339-2021
Gulf Islands: Salt Spring Island	Jan Macpherson	RE/MAX Realty of Salt Spring Island	250-537-9977
ALBERTA			
Sylvan Lake	Carl Stepp	RE/MAX Real Estate Central Alberta	403-887-2217
Canmore	Jessica Stoner	RE/MAX Alpine Realty	403-678-5890
SASKATCHEWAN			
Qu'Appelle Lakes/Last Mountain Lake	Elisha Demyen	RE/MAX Crown Real Estate North	306-791-7666
MANITOBA			
Lake Winnipeg	Al Shrupka	RE/MAX Associates	204-989-9000
ONTARIO			
Eastern Ontario:	Jennifer Skuce	RE/MAX Metro City	613-563-1155
Barry's Bay/Combermere	Cathy Pitts	RE/MAX Country Classics	613-756-6789
Bancroft/Coe Hill	Ted Bartlett	RE/MAX Country Classics	613-332-0444
Apsley	Ambrose Moran	Ambrose Moran	705-656-1567
Prince Edward County	Christine Henden	RE/MAX Quinte Realty	613-476-5900



Recreational Property Report 2013

LOCAL CONTACTS

Market	Contact	Office	Phone
ONTARIO			
Kawartha Lakes:			
East Kawarthas	John Bowes	RE/MAX Eastern Realty	705-743-9111
Lake Simcoe/Lake Couchiching:	Dan Stoutt	RE/MAX Orillia Realty	705-325-1373
Innisfil to Oro	Rick LaFerriere	RE/MAX Chay Realty	705-722-7100
Georgian Bay:			
Midland/Balm Beach	Peggy Worthen	RE/MAX Georgian Bay	705-361-3613
Collingwood	Norm Bauer	RE/MAX Four Seasons	705-445-8500
Honey Harbour/Port Severn	Armin Grigaitis	RE/MAX Baywatch	705-756-7629
Muskoka/Haliburton:			
Haliburton	John Jarvis	RE/MAX North Country	705-788-1444
Huntsville/Lake of Bays	John Jarvis	RE/MAX North Country	705-788-1444
Bracebridge/Gravenhurst	Tina Freeburn	RE/MAX North Country	705-687-2243
Bala/Port Carling	Cam White	RE/MAX Hallmark Realty	705-645-7123
Parry Sound	John Sallinen	RE/MAX Parry Sound - Muskoka	705-746-9336
Lake Huron:			
Sauble Beach/Bruce Peninsula	Darlene James	RE/MAX Grey-Bruce	519-596-2255
Port Elgin/Southampton	Cleo Decoppel	RE/MAX Land Exchange	519-389-4600
Grand Bend	Doug Pedlar	RE/MAX Bluewater	519-238-5700
PRINCE EDWARD ISLAND			
North Shore/South Shore	Rocky Arseneault	RE/MAX Harbourside Realty	902-888-3600
NOVA SCOTIA			
Cape Breton	Valarie Sampson	RE/MAX Park Place	902-567-9880
South Shore/Lunenburg	Ann Parks	RE/MAX South Shore	902-543-8882
NEW BRUNSWICK			
Shediac Bay	Fern Gagnon	RE/MAX Quality Real Estate	506-384-3300
NEWFOUNDLAND & LABRADOR			
Newfoundland Coast (East)	Craig Walker	RE/MAX United Inc. (Mt. Pearl)	709-364-8848