

# RECREATIONAL PROPERTY



REPORT  
2009

## Newfoundland – Labrador

### Newfoundland Coast

*Starting price for a three-bedroom, winterized recreational property on a standard-sized oceanfront lot: \$97,500*



\$91,500

Sound economic performance in the province has virtually guaranteed another year of healthy recreational property activity in Newfoundland. While sales during the first four months generally represent only a small percentage of total annual sales, the market is currently ahead of

last year's pace, with prices edging slightly above 2008 levels. Sales have occurred across the board, with product selling from as little as \$15,600 to the most expensive sale in 2009 at \$199,500. The vast majority of purchasers are focused on properties priced under \$90,000, situated on waterfront lots in recreational areas in the east, west, and central parts of the province. Options are varied, with product located on inland lakes such as Deer Park, Pinchgut, and Thorburn, along rivers, ponds, and the shoreline, which showcase oceanfront and oceanview properties. Starting price for a three-bedroom, winterized recreational property on a 50 ft. oceanfront lot currently hovers at \$97,500, while a seasonal property in Fortune Harbour can be picked up for as little as \$25,000. The same product on riverfront, such as the Exploits River, will run about \$90,000. Listings are few at present, but are expected to climb with the arrival of the traditional cottage season—from May to September. Given the range of product available throughout the province, affordability is largely a non-issue here. Locals are most active, looking for waterfront within an hour's drive of major centres. Some are willing to compromise by purchasing smaller lots that are located in more populated areas to be closer to home. More adventurous types are choosing



remote destinations that require travel by float plane. The upper end has also been solid to date, but recent developments in the province's premier resort community—Humber Valley—may place some downward pressure on prices in that particular segment of the market.

recreational product is currently listed for sale. Purchasers are taking advantage of low interest rates and various other stimulants to make their moves in today's market. Economic fundamentals in Shediac Bay remain stable, and as such, the market is expected to gain momentum as the traditional cottage season gets underway.

# New Brunswick

## Shediac Bay

*Starting price for a three-bedroom, winterized recreational property on a standard-sized beachfront lot: \$200,000*



\$219,000

Inclement weather hampered recreational property sales in Shediac Bay earlier in the year, but the market has since bounced back. Sales of both waterfront and waterview properties are now on par with last year's levels, while prices are in a holding pattern. Demand exists for recreational product across the board, with year-to-date sales starting

as low as \$75,000 to \$529,000 for a 2,700 sq. ft. beachfront property. The vast majority of purchasers are looking for recreational product priced from \$75,000 to \$125,000 within walking distance to the beach. Buyers with construction in mind can pick up beachfront lots, with three to five acres, at the same price point. Affordability is not an issue in Shediac Bay, with its excellent cross-section of product from which to choose. A three-bedroom, winterized beachfront property starts at \$200,000 on the Northumberland Strait, while similar product on the Shediac, Richibucto, and Cocagne River is priced from \$100,000. Waterfront condominiums have made a big splash in Shediac Bay, with a new development now underway. Ranging in price from \$90,000 for 500 sq. ft. to \$325,000 for a larger, 1,500 sq. ft. unit, these apartments are gaining in popularity, especially with out-of-province buyers, including those from Ontario and parts of the US. Americans are still a factor in the market, drawn to the natural beauty of the area, as well as its affordable real estate. A good selection of

# Nova Scotia

## South Shore, North Shore

*Starting price for a three-bedroom, winterized recreational property on a standard-sized oceanfront lot: \$230,000*



\$229,000

Baby boomers and empty nesters continue to fuel demand in Nova Scotia's recreational property market. The trend toward bells and whistles, however, has given way to value. Most are seeking year-round properties, priced from \$130,000 to \$160,000. Oceanfront—now starting from \$230,000—remains coveted, but more

and more buyers are turning to the freshwater lakes, where the dollar stretches a little further. Popular lakes include Sherbrooke, Ponhook, Molega, Mush-A-Mush, and Indian, to name a few. The smaller lakes—such as Church, Peter, and New Russell—have also felt a surge in demand, due to pricing, privacy and peacefulness. Seasonal product is moving well, starting from \$75,000. Snowbirds have been attracted to fire sales in the southern US, but are also maintaining summer homes in Nova Scotia. Foreign buyers have dropped off the radar this year. Lowball offers are occurring, with some purchasers intent on testing sellers' bottom lines. The negotiation process is more complex as a result. Most properties are selling for an average of 91 per cent of the asking price. The luxury segment of the recreational market has softened, as evidenced by the area's most expensive sale to date—coming in at just \$280,000 and not quite qualifying for the exclusive 'upper-end' designation, which typically starts from \$300,000.



# Prince Edward Island

## South Shore, North Shore, Summerside

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



\$145,900

Despite a short pause in the Fall of 2008, the recreational property market in Prince Edward Island has roared back to life. Demand is solid, with sales up approximately four per cent from one year ago, while prices have remained on par with 2008 figures. Islanders are moving forward, enticed by the unprecedented selection

of quality product available at affordable prices. Professionals are seeking out oceanfront product, while young families drive the entry-level market, taking advantage of the greatest affordability in years. Out-of-province purchasers remain active as well, though slightly more cautious and reserved in their bidding. Lowball offers are occurring, but are being countered—signbacks are numerous. Deals take longer to hammer out, but most properties are selling within \$10,000 of the asking price. Americans and Canadians from the west coast are selling out in greater numbers, as some have taken substantial hits to stock market portfolios. This phenomenon has created a market ripe with opportunity, as superior product has never been more abundant—some properties having been in families for decades. South Shore properties are particularly coveted. Some product remains overpriced, as sellers who bought at the peak are trying to limit their losses. Fortunately, most vendors are in tune with market conditions. The most active segment remains empty-nesters and retirees, seeking year-round or seasonal homes with an eye to retirement, priced from \$140,000 to \$200,000. Demand has softened considerably for product priced over \$375,000. An entry-level, winterized inland property now starts from \$150,000, an oceanview from \$225,000, and oceanfront

homes/cottages at \$300,000 plus. Non-winterized properties can be had for substantially less and are popular with snowbirds and value-minded consumers. Lots are being snapped up by savvy out-of-province purchasers. The most expensive property to change hands this year was in Eastern PEI—a desirable South Shore oceanfront retreat that sold for \$724,000.

# Ontario

## Grand Bend

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



\$429,000

Despite Ontario's ongoing economic uncertainty, Grand Bend's recreational real estate market continues to rattle and hum. Sales have fallen approximately 25 per cent overall, but the average sale price for lakefront properties has remained consistent at \$642,000. While poor weather conditions and the initial

reactions to the current global financial crisis dampened buyer intentions out of the gate in 2009, activity in April and May has picked up considerably. Spring and early summer-like conditions have warmed buyers' appetites for recreational properties and momentum is on the upswing. In fact, the real estate board reported that, for the month of April, overall residential activity in the area is up approximately 15 per cent. Starter properties are experiencing strong demand. A three-bedroom, winterized recreational property on 65 ft. of water frontage is now typically priced from \$400,000. Backlot properties offer value, priced from \$200,000. Demand remains strongest in the \$250,000 to \$300,000 range, where some properties have been snapped up in less than a week. Overall days on market have increased approximately 25 to 30 per cent over last year. Listing inventory is up and a good selection exists across most price ranges. Several new trends have been developing in Grand Bend's recreational real estate market over the past year. Although the traditional boomer/retiree set



remains very active, Grand Bend is seeing an influx of younger buyers—many first-time recreational property buyers, aged 35–50—taking advantage of low interest rates. There has also been an increase in demand for lakeview properties and those located a short walk from the beach, as some purchasers continue to compromise to realize ownership. Sellers are beginning to grasp the necessity of pricing their homes at fair market value. Housing market coverage south of the border has prompted a fair share of lowball offers, but the current economic climate has had little impact on local recreational property prices—relatively stable compared with last year, with most selling very close to list price if marketed competitively. American recreational property owners have been selling out in greater numbers, in large part due to their economy, solid gains realized over the past decade, a stronger Canadian dollar, and the growing line ups at border crossings that have added to commutes. Some Canadian purchasers have been lost to the US market, taking advantage of conditions in states such as Florida, Texas, and Arizona. There has also been a growing trend toward dual ownership—whereby boomers sell their larger properties in the city and use the proceeds to buy two recreational properties—one in the warm US states and one in Ontario’s cottage country, reaping the best of both worlds. And while trends may come and go, two things have remained consistent in Grand Bend—buyers continue to have faith in recreational properties as a sound long-term investment and the hazy days of summer will once again bring about peak demand for local recreational properties, regardless of current events.

## Kincardine, Saugeen Shores

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

Baby boomers are expected to fuel demand for recreational properties in Kincardine, Saugeen Shores in coming months as the season finally gets underway. Twenty-one recreational listings are currently available for sale, but only three are waterfront. Interest has been strongest in the entry-level price points. Purchasers are considering backlot properties, given greater value, and there has been steady demand for leased-land opportunities. A three-bedroom recreational property on a standard waterfront lot now starts from \$450,000, while seasonal product can



\$489,000

be had from \$350,000. Purchasers have been slower to make decisions, researching their options and looking for the best bang for their buck. Affordability is still an issue in the area and buyers continue to compromise. Inventory levels are adequate at present, but waterfront opportunities are limited. More product is expected to come on stream as the peak season approaches. Lake Huron continues to be most sought after, but inland lakes such as Arran and Chesley are also popular. Product that is priced appropriately will continue to move in 2009. In fact, two properties that were listed last year were recently re-listed with price reductions and sold in multiple-offer situations. It has yet to be seen whether price reductions will be a theme in this year’s marketplace, as vendors have not typically been in a hurry to sell. However, it can be said that properties that are not priced correctly will stagnate. The most expensive sale to date in Kincardine, Saugeen Shores was a five-year-old, waterview home, priced at \$425,000, offering 2,040 sq. ft. of living space on a generous 58 by 140 ft. lot.

## Parry Sound

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$185,000*

The recreational property market in Parry Sound remains active, with more than 100 sales recorded year-to-date. More balanced market conditions exist, yet the momentum is off last year’s pace by 19 per cent. A good selection of properties is available across all price ranges, though supply has fallen nine per cent year-over-year. Buyers are testing the flexibility of vendors’ asking prices, many with offers significantly lower than list, but very few actually meet with success. Despite concerns over the economy, Parry Sound’s recreational market has seen values held in check for the most part, experiencing only a modest five per cent correction on waterfront listings. The bulk of activity is occurring under the \$300,000 price point, representing both entry-level and move-up purchasers. The relative health of the market can be attributed to affordability, with the area among Ontario’s most attainable cottage destinations. The starting



price for a three-bedroom, winterized recreational property on a standard waterfront lot with road access is \$185,000. Demand for winterized properties is on the upswing, as the price differential between year-round and seasonal product on quality waterfront has become fairly minimal. The upper-end of the market is slower to move, but has shown marked improvement this Spring over one year ago. Last year at this time, luxury sales were virtually non-existent, but the market is starting to come back. There have already been several sales over the \$1 million threshold. The most expensive sale to date in Parry Sound was a \$1.2 million property located on the shores of Georgian Bay. There has been a growing trend toward resale product, as buyers are finding good quality existing product a better value than going the new construction route—whether it be vacant land or teardown. Thus, new construction has waned, as buyers have benefited from a greater selection in the last two years than anytime in the previous decade. Boomers are still very active throughout Parry Sound, although more young families are gaining a foothold in the area's recreational market. Popular waterways continue to be Georgian Bay and Lakes Manitowabing, Whitestone, Otter, Crane and Blackstone.

## Elliot Lake

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



Demand remains consistent for recreational properties situated in Elliot Lake and the surrounding communities. Waterfront sales are on par with last year's levels. Prices are stable on area lakes including Dunlop, Quirke, and Popeye, with the bulk of activity occurring at the \$200,000 to \$300,000 price point. Young baby boomers

from Southern Ontario are driving demand for affordable recreational product. A three-bedroom, winterized recreational property on a 150 ft. standard-sized waterfront lot starts at \$225,000. A seasonal cottage on a similar lot can be purchased from as low as \$140,000. Inventory levels, however, are limited, especially in the lower end of the market, and properties that do come available under the \$200,000 benchmark tend to generate

much interest. Building lots on coveted crown land have been exceptionally popular in recent years, with only 18 left for sale. These lots offer at least 150 ft. of frontage and are approximately two acres, starting at \$49,900. Listings are expected to increase in coming months as the traditional cottage season gets underway. Balanced market conditions should prevail for the remainder of the year in the Elliot Lake area as a result.

## Sault Ste. Marie

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$200,000*

After a slow start to the year, demand for recreational properties in Sault Ste. Marie has gained serious momentum. Sales are just eight per cent off last year's pace and are expected to show marked improvement in May. Stability in the marketplace has kept recreational property values on par with 2008 levels. Affordability is a major factor in Sault Ste. Marie. A three-bedroom, winterized recreational property, situated on 100 to 150 ft. of waterfront on Lakes Superior or Huron, will start at \$200,000. Seasonal product on a similar lot will range from \$135,000 to \$175,000. Recreational properties priced from as low as \$100,000 to \$250,000 remain most popular with purchasers. Many buyers are former residents who left in the early 1980s to find work and are coming back to retire. These purchasers tend to prefer year-round properties on the water with a view and decent shoreline priced from \$300,000 to \$350,000. Americans—from as far away as Texas and California—are also a major force here, many with properties that have been in their families for several generations. These properties rarely come up for sale and when they do, they are generally sold within the family or privately to friends of the family. More recently, purchasers from Michigan have been drawn to the remote area's spectacular sunsets and raging storms. Huron and Superior are the most familiar lakes in the area, but some of the inland lakes such as Diamond, Gordon, Echo, Caribou, Desbarats, and Cloudy are also popular with today's purchasers. Inventory levels across the board are adequate at present, with supply meeting demand. The most expensive sale to date was a three-bedroom chalet, with a walkout to the water, on 130 ft. of prime shoreline at \$380,000.



## Temagami

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$275,000*

Lower financing costs, combined with a 10 to 20 per cent decline in recreational property values, have served to draw cautious buyers back into the market in Temagami. While some are still concerned that prices have yet to bottom out, demand for properties in the area is slowly growing. Sales are down from last year's level year-to-date, but May, June and July are expected to show marked improvement. The most popular price point continues to be \$300,000 to \$500,000—with sales in that segment of the market spurred by young baby boomers and their families. Interest from retirees—initially most active in the marketplace—has waned over the past year. Affordability has improved significantly from 2008 levels. A three-bedroom, winterized recreational property on a standard-sized waterfront lot on Jumping Caribou Lake with road access now starts at \$275,000, while a similar property on Lake Temagami with boat access can be purchased for \$250,000. New construction on Cassels or Rabbit Lakes will generally run about \$550,000. Seasonal properties can be had for as little as \$200,000. A relatively good cross-section of waterfront properties is available for sale. While vendors are slowly coming to the realization that market conditions have changed over the past year, there are those who are resistant to price reductions and are prepared to wait it out. The top end of the market is fairly quiet, with the most expensive sale so far this year a \$400,000 year-round cottage, situated on 432 ft. of waterfront.

## North Bay

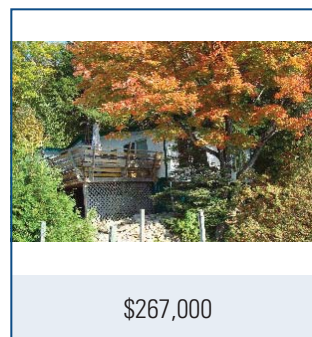
*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$300,000*

The market for recreational properties is just starting to thaw as the traditional cottage season kicks off in North Bay. Sales of waterfront properties year-to-date have been slower than last year, in large part due to inclement weather. As temperatures rise, demand is expected to escalate. The picturesque area still boasts some of the most affordable waterfront in Ontario, with a three-bedroom, winterized recreational property starting at

\$250,000 on a smaller lake such as Tilden. Seasonal product can be found at \$175,000. Purchasers focused on the larger lakes in the area—Nipissing and Trout—can expect to spend considerably more to achieve ownership, with lots alone starting at \$200,000. Aging baby boomers are still a force in the marketplace, buying up waterfront for future retirement. Younger purchasers with families are more active than in years past, with most looking at properties priced in and around \$300,000. Inventory levels are just starting to climb on area lakes and rivers. However, fewer properties are expected to come on the market this year as vendors, concerned over the economy, adopt a wait-and-see attitude toward selling their recreational properties. Completion of the new, four-lane Highway 11, slated for 2010, should increase demand for recreational properties in North Bay and surrounding communities, reducing drive time by as much as 15 minutes to half an hour. The upswing in demand may place some upward pressure on recreational property prices in the coming year.

## Haliburton

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$240,000 – \$350,000*



Weather conditions hindered recreational property activity in Haliburton earlier this year, as winter was slow to release its grip on the area. The number of sales has fallen 34 per cent year-over-year as a result, but demand remains strong. This is expected to be a busy season, reaffirmed by steadily increasing sales in tandem with the warmer conditions. Buyers remain confident and committed, as demonstrated by one of the most successful Cottage Life Shows in over a decade. Buyers, while more educated than ever and quite serious in their intentions, are still cautious. Most will view at least 5–10 properties before making any offers, compared to two or three years ago, when they would be lucky to see three before deciding to 'jump in.' The entry-level price range remains heated, especially between \$240,000 and \$350,000, which will buy a two to three-bedroom cottage on a mid-sized lake with good frontage.

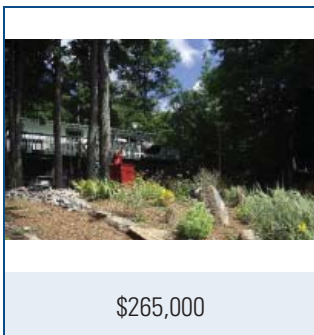


Average price has held steady in 2009, rising almost one per cent to \$245,620 over the first four months of 2008. Many of the sellers who had properties on the market in 2007 and 2008 have made price adjustments and have met with success in selling. However, those who have not adjusted will find it difficult to convince educated buyers that their prices are fair market value. The trade-up market also remains active, as buyers take advantage of ideal conditions to upgrade to larger/newer/better located properties. Five luxury sales were recorded in 2009 (to the end of April) for properties listed in excess of \$500,000. Strong interest exists for properties in the top end, but buyers are taking their time to make sure prices have bottomed out. The most expensive home to date was a \$1.05 million, four-season, timber frame home on Soyers Lake boasting 275 ft. of frontage. Demand for second row properties has waned slightly this year, as improved affordability has made it possible for most purchasers to attain waterfront ownership. While virtually all buyers exhibit confidence in the stability of the Haliburton Highlands' cottage market, a small number have opted to sit on the sidelines with concern that prices have not reached bottom. Today's buyers overall are looking for the greatest bang for their buck and are flexible enough to consider all waterfront locations in a bid to find the ideal product.

heightened demand, the lower-end—properties priced under \$300,000—continues to hold steady. Younger families are driving demand for recreational properties—especially in the \$250,000 to \$275,000 price range. Attractive pricing is key in the area, with a three-bedroom, winterized recreational property, situated on 110 ft. of waterfront on one of the area's premier lakes such as Baptiste, starting as low as \$260,000. A seasonal cottage on a similar lot can be purchased for \$190,000. Unlike in years past, the demographics of today's buyer have shifted. Thirty-somethings are replacing last year's retirees, taking advantage of ideal market conditions to buy cottages on larger lakes—such as Baptiste, Paudash, Papineau—for future return on investments or on smaller lakes in the area for peace and serenity. An increasing number of buyers are investing in recreational property for income purposes, choosing to rent properties out for approximately \$1,500 to \$2,000 a week. While there are some deals to be had in the lower end of the market, recreational properties priced in excess of half a million dollars continue to stagnate. There has been just one sale recorded to date over the \$500,000 price point and the next most expensive property sold was a two-and-a-half acre waterfront home, situated on 160 ft. of frontage, on Lake Farquhar with a sticker price of \$448,000.

## Bancroft

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$260,000*



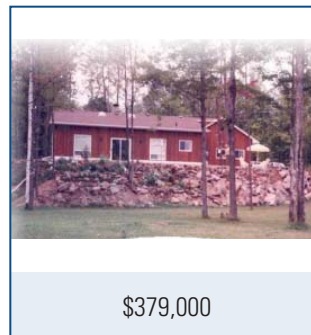
\$265,000

After a relatively soft first quarter for recreational property sales, the traditional Spring market has kicked into high gear in Bancroft. April sales increased 38 per cent over 2008 levels, rising from 32 to 44 units in 2009. While year-to-date sales are down approximately 16 per cent, momentum continues to build

in the marketplace. Low interest rates and affordability are the major factors influencing the recent upswing. Waterfront prices have softened, off last year's figures by 10 to 15 per cent, with the most significant impact experienced in the upper-end of the market. Bolstered by limited supply and

## Apsley

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



\$379,000

Young families with children are driving demand for recreational property in Apsley so far this year. Increased affordability has played a major role in attracting purchasers to the area, which has seen steady appreciation in values since 1996. An upswing in inventory levels over the past year has led to softer sales

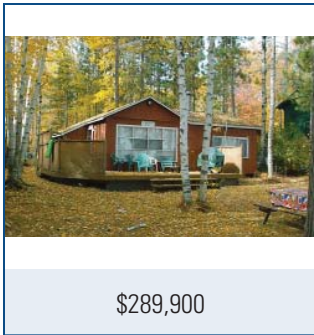
activity and a 10 per cent decrease in waterfront values overall. Starting price for a three-bedroom, winterized recreational property on 100 ft. of frontage on Jack Lake is now \$375,000, while a seasonal cottage on a similar property on Chandos Lake hovers at \$349,000. While buyer's market conditions prevail in the area, sellers are refusing to give their properties away.



Some buyers are looking for distress sales, which have yet to materialize, while others are waiting to see if prices fall further. The top end of the market is relatively quiet, with the most expensive sale to date a fully-updated, older cottage on a prime lot with excellent waterfront and southern exposure sold at \$600,000.

## Combermere

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$290,000*



Affordability continues to be the major factor influencing recreational property sales in Combermere. A 10 per cent decline in waterfront values—and an average price of just under \$200,000—has attracted a growing number of younger baby boomers to the area. Most popular are properties priced between

\$240,000 and \$280,000—although inventory is limited in this category. Starting price for a three-bedroom, winterized recreational property on a 100 ft. lot is now \$290,000 and a good supply of waterfront product is currently listed for sale on Lakes Kamanisseg, Bark, Golden, and Round (Renfrew County). Interest is also on the upswing in the upper end of the market, where purchasers are seeking prime location and quality construction. Most vendors are realistic in their expectations, pricing their properties at fair market value. Buyers are also serious about purchasing in the area, but are waiting for the right property before they make their moves. Low interest rates and the recent price correction should bolster activity in Combermere in the months ahead, as the traditional cottage season gets underway.

## Huntsville, Lake of Bays, and Almaguin

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

While demand for recreational properties in Huntsville, Lake of Bays, and Almaguin remains healthy, economic concerns have had an impact on waterfront activity so far this year. Sales are down in Huntsville, Lake of Bays, and Almaguin, while the number of recreational properties listed overall has increased in all three areas. Prices have declined by about 20 per cent year-over-year. The most active price ranges continue to be those that are most affordable, especially on mid-sized lakes, starting at \$200,000 to \$350,000 in Huntsville, \$250,000 to \$500,000 in Lake of Bays, and \$150,000 to \$300,000 in Almaguin. Baby boomers continue to lead the charge for recreational properties, choosing those that prove to be the best value for the dollar on mid-sized lakes such as Raven Lake, Dotty Lake, Clear Lake, Three Mile Lake, Groom Lake, and Harp Lake, or larger bodies of water such as Lake of Bays. Retirement is one of the major factors behind the push for recreational properties, followed by investment in real estate. The starting price for a three-bedroom, winterized cottage with year-round access is now \$300,000, while a seasonal property will cost \$250,000. The most expensive sale to date—a four-bedroom cottage, built in 2000, featuring a triple-car garage, boat port, and 101 ft. of sandy shoreline—occurred on the Lake of Bays. The property was listed and sold within a week for \$687,000, just \$14,000 less than ask price.

## Bala, Port Carling

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

Canada's international playground for the rich and famous continues to experience fallout from the financial meltdown of 2008. Overall sales of recreational properties are down approximately 17 per cent from one year ago, while those in the top end of the market—priced over \$2 million—have declined even further, with prices off 2008 levels by as much as 20 per cent. Bucking the trend is waterfront homes in the \$500,000 to \$1,000,000

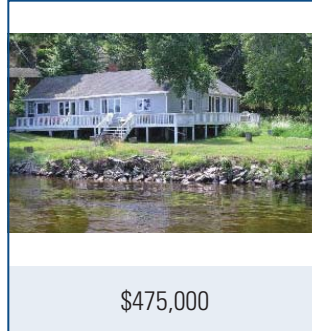




\$569,000

price range—a segment of the market that remains relatively healthy, with well-priced properties selling fairly quickly. Young families, many with small children, are now behind the push for cottages situated on Lakes Muskoka, Rosseau, and Joseph, as well as smaller lakes in the area. Improved affordability—thanks

to attractive financing rates, lower prices on recreational properties, and a good selection of properties listed for sale—have motivated many to get off the fence and into the market. Starting price for a three-bedroom, winterized recreational property on 50 ft. of shoreline on the big three is now \$450,000, while a similar property on one of the smaller lakes in the area—such as Skeleton, Brandy, Bass, Butterfly, Bruce, or Leonard—will cost \$300,000 to \$350,000. Seasonal and riverfront properties on the Indian and Joe Rivers can be purchased for slightly less than \$450,000. Inventory levels are on the rise, especially in the high end of the market, yet only those properties that are competitively priced and situated in prime locations will move in the months ahead. The market for building lots continues to be solid, with ‘A’ properties offering level ground, rock and pine, with south/southwest frontage commanding \$1.3 to \$1.4 million. Construction and renovation activity continues on the waterfront, with the odd speculator building for profit. The most expensive property sold this year had a sticker price of \$3.8 million.



\$475,000

adequate supply of inventory available for sale. Buyer’s market conditions exist, with sellers adjusting their prices accordingly. Most product, as a result, is selling at between 96 and 98 per cent of the list price. A three-bedroom, winterized waterfront cottage with 100 ft. of frontage on a smaller lake now starts from \$350,000

to \$400,000 or \$450,000 to \$480,000 on the larger lakes. Affordability is an issue, but on average, purchasers are getting more bang for their buck this year. Most sought after is prime waterfront product priced between \$500,000 and \$600,000. Those looking for off-prime shorefront are driving demand in the \$350,000 to \$400,000 range. The trend toward year-round living continues to grow in Bracebridge/Gravenhurst, both on and off the water. A good deal of new construction is still underway, geared toward the baby boomer segment. Younger families are looking at the smaller, lesser-known lakes in the area, fuelling activity in the \$300,000 to \$400,000 price range. The upper end of the market, priced over \$1 million, has softened. The most expensive sale recorded to date was a cottage on Lake Muskoka boasting breathtaking views, 505 ft. of prime frontage on the point of an island, surrounded by multi-million dollar retreats. The price tag? \$1.375 million. Cottages and homes on Lake Muskoka, the Muskoka River and Kahshe Lake remain most coveted. Also in high demand are Pine, Loon, and Turtle Lakes. An extended recreational property season is expected in 2009 due to the late start, and as such, peak sales could extend into October if weather remains favourable. Demand is strong and all indications point to very healthy year, albeit slightly off 2008 levels.

## Bracebridge/ Gravenhurst

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$350,000 – \$400,000*

Heavy snowfall in January and February resulted in a slower than normal start to the recreational property season in Bracebridge/Gravenhurst. However, activity gained momentum in March and April and continues to build. Sales are down 13 per cent year-to-date, yet are only two per cent off April 2008 figures. Buyers, many of whom chose to sit on sidelines in the Fall, have adjusted to the new economic realities and jumped back in. Conditions are healthy at present, with an



## Flesherton

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



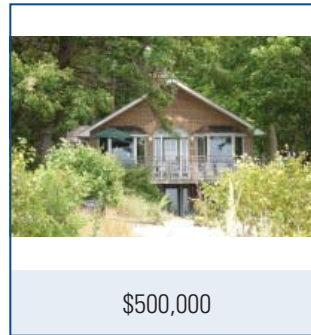
\$298,000

Flesherton's recreational property market is in transition, as pricing slowly moves in line with today's market realities. With weakened demand and a competitive rental market, values have fallen 10–20 per cent compared with last season. Normally, this silver lining, at a time when interest rates are at rock bottom, would drive

buyers to act. However, sellers have been slow to make adjustments, and buyers are unwilling to pay more than fair market value. As a result, there have been no sales recorded yet this season (only one took place from January to April last year). Potential buyers have been most keen on entry-level product priced between \$200,000 and \$300,000, with second row properties very popular. Inventory, however, is virtually non-existent at present. Above the \$300,000 price point, selection is relatively good. A three-bedroom, winterized recreational property on a standard Lake Eugenia waterfront lot starts at \$400,000, while a similar seasonal property on Lake Eugenia will cost \$299,000 (for tear-down quality). An increasing number of recreational buyers are considering hobby farms, priced under \$300,000. Buyers have been very slow to make decisions this year, and most are opting to look at many properties before making a move. Lowball offers and power-of-sale listings have begun to make their way back on the scene after being absent for years. The bulk of demand has been coming from first-time buyers in 2009, as well as downsizing retirees and baby boomers with an eye to year-round recreational living. Eugenia, Irish and Wilcox Lakes are still most popular, but as the propensity for bargain-hunting increases, potential buyers are trending away from prime waterfront and choosing to explore backlot and view properties. The high end is expected to be a harder sell in 2009. With greater opportunities on the horizon in terms of pricing, activity and sales should improve as vendors adjust expectations.

## Midland, Penatang, Tiny and Tay

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



\$500,000

Although inventory and weather played a role in slower recreational property activity this Spring—22 sales have occurred year-to-date versus 32 during the same period in 2008—demand has risen considerably in the last few weeks. Entry-level cottages, priced between \$450,000 and \$500,000, have been most

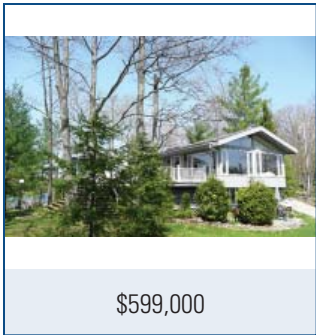
sought after thus far, but supply remains fairly tight. Listings continue to be down across the board compared to 2008, a fact that has helped keep price correction to a minimum. The one exception has been the upper end of the market, where greater softening has occurred. Overall, asking prices have fallen, though not considerably, and most vendors are in tune with market conditions. Although properties are not moving as quickly, the lion's share of sellers are realizing fair market value at close to list prices. Given the topography of the land, starting prices vary greatly. Alternative shoreline properties typically start as low as \$300,000, while sandy beach frontage commands \$500,000 and up. Affordability is still an issue and buyers may find that, despite the economic climate, their money is not going as far as they expected so compromise remains a reality. While most are still holding out for waterfront homes, view properties also remain in steady demand. Some purchasers are sitting on the sidelines, waiting to see how the current economic crisis will play out. Others, who are realizing that the market has held fairly stable, have jumped back in with renewed confidence. The trend toward turnkey, waterfront properties has gained momentum, particularly as vacant land and teardown product becomes increasingly rare. Southern Georgian Bay shoreline remains most coveted. Both purchasers and vendors have, by necessity, emerged more educated and informed on market conditions than in previous years. While the majority of sales are occurring in the \$400,000 to \$600,000 price range, one property managed to break the \$1 million threshold this year. The home, with a



large frontage and located north of Penetanguishene, sold for \$1 million and holds the distinction as the area's most expensive recreational property transaction to date.

## Honey Harbour, Port Severn

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$400,000 – \$425,000*



As demand from retirees and empty nesters continues, recreational property sales in Honey Harbour and Port Severn are further bolstered by young baby boomers and older Generation X purchasers. The demographic shift, now underway, has older cottage owners in southeast Georgian Bay—many of whom own their

properties outright—selling to younger purchasers with families. While most vendors are aware of new market realities and are pricing their properties at fair market value, there are those who are prepared to wait for their price. With little or no urgency in the market, sales in the area are off last year's levels for the first four months of the year, but prices have held relatively stable. The arrival of the traditional cottage season is likely to spark an increase in sales activity in the months ahead. Buyers from the Golden Horseshoe are expected to be behind the push for properties, with most looking for relatively turnkey cottages priced under \$400,000, with a smaller segment of the market seeking higher-end recreational product priced over \$750,000. Trade-up activity is occurring as existing cottage owners take advantage of low interest rates and greater selection to move to larger homes or better communities. A three-bedroom, winterized recreational property with road access situated on 100 ft. of waterfront in the area's most prestigious locations, including southeast Georgian Bay, Gloucester Pool, and Six Mile Lake will now start at \$400,000 to \$425,000. A similar property on one of the smaller lakes—such as Butterfly, MacLean or Gala—is typically priced at a more affordable \$300,000 to \$350,000. Inventory levels are adequate at present, with some tightening under the \$400,000 price point.

## Collingwood

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$390,000 – \$550,000*



Collingwood's recreational property season got off to a slow start in 2009. Sales in January, February and March were sluggish, but April showed signs of recovery, while demand in May was closer to more traditional levels. Average price has also fallen from one year ago, down four per cent for both cottage properties and

those on Blue Mountain. Thirty-one units have changed hands on the Mountain to date, down from 43 units during January to April 2008. Economic concerns have been a factor hampering momentum and confidence, yet buyers are proceeding with cautious optimism. The waterfront market has been more resilient, but very few properties are listed for sale. A good selection of chalets and condominiums exists. Overall, purchasers are looking for amenities, value and privacy—product that boasts the latter of those three is selling more quickly. This year's price correction has been the motivating factor for active buyers, many of whom sat on the sidelines in the Fall, but were enticed by improved affordability. The entry-level segment has been strongest in 2009, with the \$200,000 to \$250,000 price point most sought after by purchasers. The lion's share of buyers is seeking out condominiums—priced from \$120,000 for a two-bedroom—at Cranberry Village and Lighthouse Point, where purchasing power is greater than at nearby Intrawest. Those looking for waterfront in Collingwood will have to ante up quite a bit more as a three-bedroom, winterized waterfront property starts at \$390,000 – \$550,000. Most properties are selling at close to ask price and product listed at fair market value is moving. Purchasers making reasonable offers will meet with success, while lowball submissions will experience substantial sign-backs. Overall, buyer's market conditions do exist, so vendors should be cautioned that overpriced listings risk stagnation.



## Wasaga Beach

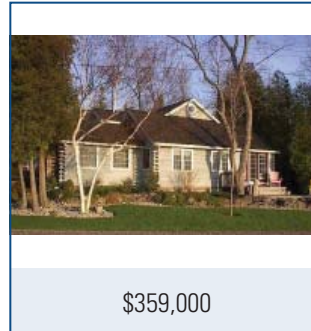
*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$525,000*

Limited availability of true waterfront property has prompted recreational purchasers in Wasaga Beach to consider backlot bungalows within walking distance of the beach this year. The more affordable alternative shaves an estimated \$75,000 off a similar property located on the banks of the Nottawasaga River and is half of the starting price of a winterized, recreational property, situated on 50 ft. of prime beachfront, in Wasaga. While sales of recreational product overall are down somewhat from one year ago, values continue to hold steady. Waterfront is especially coveted, but expensive, with a three-bedroom cottage starting at \$525,000 and riverfront priced from \$325,000. Aging baby boomers represent the lion's share of purchasers in the area, but younger buyers are starting to venture into the market. Spurred by record low interest rates and increased availability of backlot properties, first-time buyers are cautiously approaching recreational properties as an investment in the future. Backlot bungalows, starting at \$235,000, are particularly popular with younger buyers, many of whom come from communities like Brampton and Mississauga. Demand is strong for prime waterfront that is well-located and priced properly—yet supply is virtually non-existent. The most expensive MLS sale to date in Wasaga Beach was a beachfront home priced at \$849,000 in March and sold in April for \$837,000.

## Sauble Beach/ Bruce Peninsula

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

Given a 10 per cent decline in the price of recreational properties, potential purchasers have been lighting up the phones across the Bruce Peninsula. Properties along Lake Huron, including Sauble Beach and Lion's Head, are moving well. Sales in the Bruce Peninsula have recorded an increase over last year, although activity across the entire board has fallen approximately 25 per cent year-to-date (January to April). Confidence remains high in recreational real estate as a solid long-term investment and



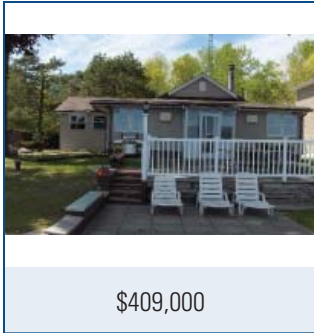
people who have the ability to purchase continue to make their moves without hesitation. A three-bedroom, winterized cottage on a standard waterfront lot now starts from \$350,000 on the Bruce Peninsula, while a waterview retreat can be had from \$250,000. Trade-up activity has been limited to date, but momentum in the entry-level

segment has been brisk. Product priced under \$400,000 is moving well. The majority of purchasers are from outside the area, aged 40–50 with families, with half looking for weekend getaways while the remainder buys with an eye to retirement and year-round living. Although the Bruce Peninsula remains a very resilient market, sales in Owen Sound and Meaford have softened this year. The greatest obstacle has been vendors who have been slow to react to changing market conditions and necessary price adjustments. Properties priced at fair market value in these areas are moving, albeit at a slower pace. Sales in Wiarton—where the season is yet to officially begin—have been typically slow for this period, but traditionally pick up after the May long weekend. The Wiarton area has experienced growing demand and development in recent years and further growth is expected for the long term. A good selection of product exists in every price range throughout the Bruce Peninsula, and buyers have the luxury of time to make decisions. Today's purchasers are viewing seven to eight properties on average before inking a deal; a few years ago, amid fierce competition, buyers were lucky to view two to three properties. Overall, conditions are very favourable for purchasers at present, with some of the best prices and selection in over a decade. Lake Huron and Georgian Bay are most popular with buyers, but the inland lakes, such as Berford and Miller Lakes, are still commanding a premium. Activity is poised to ramp up in the area as peak cottage season gets underway, with August and September typically the most heated months for sales. Buyers who paused at the end of last season are starting to come around—spurred by lower prices, favourable interest rates and warmer weather. As such, sales are steadily gaining momentum across the region.



## Orillia

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



After a late start, recreational property sales in Orillia are starting to gain momentum. The number of waterfront properties sold are down from one year ago, with just 22 changing hands between January and April, down from 38 during the same period in 2008. Prices for recreational properties have

also softened slightly year-over-year. Demand continues to be greatest for waterfront priced between \$250,000 and \$300,000 on smaller lakes and rivers in the area, such as Lake Dalrymple and the Severn River. Young families are in large part responsible for the upswing at this price point. Retirees have also contributed to the overall health of the market—they are the driving force behind strong condominium sales. The lifestyle has experienced consistent demand in recent years and remains extremely popular with retirees. Lakefront units are particularly coveted, with a two-bedroom starting from \$350,000 to \$450,000. With limited condominium inventory levels—Elgin Bay is the only development on the water that has been completed—demand and price is expected to escalate. Lakes Couchiching and Simcoe, with starting prices hovering at \$425,000 for a three-bedroom, winterized recreational property on a 50 ft. lot, have been slower than usual this year. Yet sales of seasonal product on the two lakes, priced from \$350,000 to \$400,000, are brisk. Listing inventory is scarce and when product is listed for sale, it tends to move quickly.

## Innisfil to Oro

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

Limited inventory levels have hampered sales of recreational properties on the western shore of Lake Simcoe this year. Forty-one waterfront properties are currently listed for sale out of approxi-

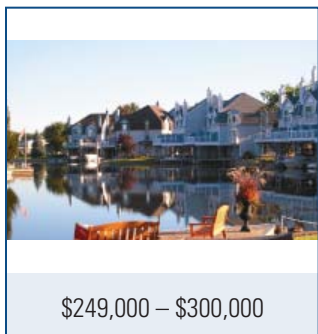


mately 4,800 properties from Innisfil to Oro—down significantly from one year ago. While demand continues to escalate, the median price hovers at \$870,000—up from \$695,000 in 2008. The tail end of the baby boomers and the front end of Generation X remain the most active purchasers in the area, with most seeking 100 ft. of waterfront in prime locations. Buyers tend to favour Shanty Bay, Oro, and Sandy Cove—as well as property accessed by private roads from Innisfil to Oro. Demand for properties on Big Bay Point have tapered as a result of the new development planned for the area, which will include an abundance of residential units and as many as 2,200 boat slips. Foreign investment, once a significant segment of the market, has greatly diminished. While most buyers hail from the Golden Horseshoe, there is an increasing number of existing cottage owners from Muskoka making their way into the Simcoe and Georgian Bay areas. The starting price for a three-bedroom, winterized recreational property on 50 ft. of lake frontage now hovers at \$500,000. Purchasers above the half-million mark are willing to pay for turnkey properties. New construction continues unabated on Kempenfelt Bay's northern shoreline. The most expensive property currently listed for sale is a 12,000 sq. ft. manor house, situated on 10-acres, including 400 ft. of water frontage, priced at \$15 million. To date, the highest sale for a recreational property has been \$890,000.

## Lagoon City

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

While dismal weather conditions dampened the enthusiasm of Lagoon City purchasers during the 2008 cottage season, 2009 is shaping up to be quite healthy. Demand has begun to pick up steam recently as the busy May-to-October peak period gets underway. Townhomes are currently most coveted, normally out-selling single-family recreational homes three to one, although more condominium listings now exist in the marketplace. Traditional townhome units start from \$160,000, while villa-style



units are priced from \$239,000 – \$289,900. The average unit commands between \$180,000 and \$200,000, which is a popular price point at present. Single-family recreational homes start at \$300,000, with the \$300,000 – \$400,000 price point experiencing the greatest demand. Most purchasers in this category are looking for a three-

bedroom, 1,800 – 2,000 sq. ft. retreat right on the water. Sales and activity for properties priced over \$500,000 have softened in 2009. The most expensive sale year-to-date was a \$445,000 single-family home, located on the lagoon. Prices have remained fairly stable overall and an adequate selection of inventory exists. The first wave of retirees, who moved into Lagoon City in the late '80s, are now leaving, making way for the active baby-boomer segment—many looking to secure a property that will transition from a weekend getaway to a principal residence a few years down the road—and a growing number of aged 30-plus professionals with younger families. The latter are driving the trend toward the multi-functional recreational property that can serve as home/cottage/home-office all rolled into one. Given that, new life is being breathed into the area, which has become more of a vacation-at-home lifestyle community and boater's destination. Two out of three recreational property owners in the area now possess boats and various other personal watercraft. Despite the current economic situation, most vendors and purchasers seem to be on the same page, and most properties are selling for fair market value. Overpriced properties risk stagnation, as today's buyers are taking their time and researching purchases more than ever. Affordability remains a draw for Lagoon City. Going forward, the area—which is only 50 per cent developed—holds much potential. Much of the undeveloped land has been sold to a developer, whose plans for Lagoon City's growth yields promise for today's purchasers taking advantage of current recreational market opportunities.

## Beaverton

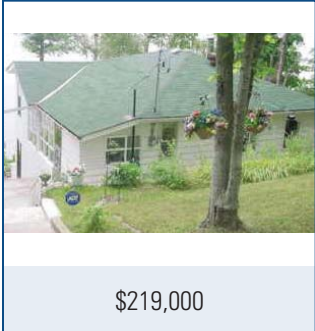
*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$300,000*

Beaverton's recreational property market is off to a slow start this year, with demand just starting to gain momentum. The bulk of purchasers are looking for value, driving activity in the lower end of the market, priced under \$350,000. As such, the smaller lakes and waterways—Canal, Dalrymple, Mitchell, and the Trent-Severn—are garnering the most attention, while there has been little activity on the higher-priced lakes like Simcoe. The most active price range is \$200,000 to \$350,000, although a few sales have been recorded from \$150,000 to \$200,000—a price point that would have been very difficult to accommodate just a few years ago. The starting price for a three-bedroom, winterized cottage on a standard waterfront lot is now \$220,000 on the smaller lakes, while seasonal product can be had from \$150,000. Entry-level product on the shores of Lake Simcoe now starts at \$300,000. A great deal of bargain-hunting is going on, with many buyers testing the waters with lowball offers. Yet, the majority of properties, listed at fair market value, are selling for close to the asking price. Overpriced listings are stagnating, although most vendors are now in tune with market conditions. For example, a number of properties on the market during the 2008 season have recently been re-listed with price reductions of approximately 10 per cent. The recent price correction, along with lower interest rates, should bring more purchasers on stream. Activity in late April and May has improved considerably, though still off 2008 levels. The lowest priced sale in the Kirkfield area to date—a seasonal cottage—changed hands for \$155,000. An adequate selection of inventory is available, with the greatest choice above \$350,000—only one sale has broken this threshold to date. The property, which sold for \$489,000, boasted generous shorefront on Head Lake.

## East Kawarthas

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$195,000*

Buyers in the East Kawarthas are approaching their recreational property purchases with caution this season, taking time to research their options and make their moves. Sales have fallen off last



\$219,000

year's pace, with 36 properties changing hands by the end of April, compared with 56 during the same period in 2008. Yet, prices have held steady, on par with the year-ago average of \$313,000. Affordability remains a strong draw in the East Kawarthas, with a three-bedroom, winterized recreational property on a standard

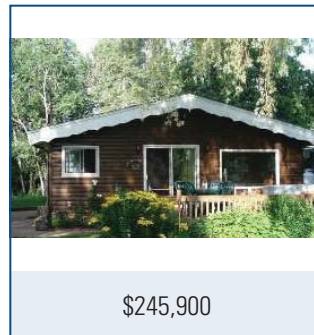
waterfront lot now starting at \$195,000—and for the first time in many years, a good supply of entry-level product is available. Seasonal product can be had for slightly less, from \$179,000. Buyers are confident in their decisions, further spurred by rock-bottom interest rates. The \$300,000 to \$350,000 price point has experienced the most activity thus far, with 40–55 year olds with young families driving demand. Most are looking for winterized cottages, with easy access, a weed-free waterfront and internet access—the latter of which has been increasingly important to busy professionals. A good selection of inventory is available across all price ranges and areas, although Chemong Lake has experienced the greatest activity this year. Lowball offers have been numerous this year, although most properties are selling close to list price. In general, more negotiation has been involved in the purchasing process, and repeated sign-backs are the norm. With a greater selection of properties listed for sale, it has become more important than ever for vendors to list their properties at fair market value or risk stagnation. Although the upper end of the market has been slower to move this year, some activity is occurring. The most expensive sale in the East Kawarthas to date took place on Stoney Lake. The property sold for \$880,000. As the peak cottage season approaches, the momentum has begun to increase in East Kawarthas. March and April activity was more comparable to 2008 levels and demand seems to be increasing week-by-week as the weather improves.

## West Kawarthas

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

Recreational property sales are on the upswing in West Kawarthas as the traditional cottage season gets underway. Improved affordability in terms of rock-bottom interest rates and slightly

lower recreational property values have contributed to the increase in activity, especially in recent weeks. Year-to-date sales (January – April) are off last year's figures by about six per cent, but the playing field is expected to level in coming weeks. West Kawarthas continues to offer purchasers, many from the Greater Toronto Area (GTA), a wide variety of product from which to choose. Those who are budget-conscious can buy a three-bedroom, winterized recreational property starting at \$250,000 on Pigeon Lake, while more affluent purchasers may choose a similar property on Balsam Lake priced from \$400,000. The upper end of the market is doing well, with several sales priced at approximately \$900,000 so far this year. The vast majority of purchasers in the area, however, continue to fuel demand for product priced under \$400,000. Baby boomers are largely behind the push for recreational properties in the area, with many seeking year-round residences on Sturgeon or Cameron Lakes—the lakes closest to the GTA. An adequate



\$245,900

supply of properties is currently listed for sale, although there is some tightening under the \$325,000 benchmark. Demand for prime waterfront is on the rise as purchasers finally realize that they can change the cottage but not the property.

## Kingston

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$250,000 – \$270,000*



\$259,900

Demand for recreational property in Kingston and the surrounding area has been very strong in 2009, with sales posting a 15 per cent increase over 2008 levels. Proximity to major centres and affordability continue to be the two biggest factors drawing purchasers to the region. Given solid activity, prices have held steady,



climbing one per cent to \$368,928. The most active price range has been the entry-level, priced from \$130,000 to \$230,000, and accounting for 45 per cent of all recreational sales. Momentum is also very good in the \$330,000 to \$430,000 range, which comprises 26 per cent of MLS activity. The upper end of the market, priced over \$430,000, also continues to rattle and hum, representing nine per cent of the market. The starting price for a three-bedroom, winterized recreational property on a standard 100–200 ft. waterfront lot is now \$250,000 to \$270,000, while non-winterized product can be picked up from \$170,000, albeit on a smaller 80 ft. frontage. Affordability is an issue for some, but those that have the means to participate are doing so with confidence. While compromise was necessary in years past, today's rock bottom interest rates and good selection are making it possible for buyers to find the ideal property. Currently, 158 waterfront properties are listed for sale. While baby boomers still remain very active, a greater number of young families have been making their moves. Most are looking for level waterfront, sand beach, a little privacy, and good fishing, with a new emphasis on clean, deep, healthy water. Bob's Lake, in particular, has experienced increased demand, with an active association initiating on-going lobbying for the long-term health of the water and surrounding land. The most sought-after lakes continue to be Birch, Dessert, Devil and Buck, but listings on the latter three remain fairly rare. Loughborough Lake is the area's most expensive waterfront, with properties starting from \$500,000. The upper end of the market has been holding its own this year, although more Americans have been selling in recent months. As a result, there have been "for sale" signs on some of Kingston's best waterfront lots. These have been snapped up relatively quickly, as opportunities like these are rarely available. In addition, the mid-to-upper price ranges have also been propped up by a greater number of local purchasers—mainly baby boomers—looking to invest their resources in year-round waterfront living, choosing prime product priced at \$350,000 plus, as opposed to owning both a modest home and small cottage. The most expensive recreational property sold in 2009 changed hands for \$780,000. The property, on a small bay off Lake Ontario, boasted impressive views, 3,330 sq. ft. of living space, and a generous 93 by 195 ft. lot.

## Gananoque

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

Inventory remains a serious obstacle to recreational property ownership in the Gananoque, Thousand Islands area this year. Given the lack of product available for sale, only a handful of properties have changed hands year-to-date. Warmer weather has brought more listings on-stream in recent weeks and more is expected as the peak cottage season gets underway. The \$250,000 to \$300,000 price point is tightest, as young families seek entry-level properties on the back lakes where the dollar typically stretches further. The mindset of consumers has shifted this year and buyers are slower to make their moves. Some are more cautious amid economic uncertainty, while others are simply waiting for fire sales that are unlikely to materialize. Some bargain-hunting is occurring. Deals are harder to hammer out and negotiations are lengthy. Year-to-date sales have fallen an estimated 10 per cent, while prices have remained on par with 2008 levels. A three-bedroom, winterized property on a standard waterfront lot now starts from \$250,000 to \$300,000, while coveted St. Lawrence riverfront commands substantially more, priced from \$400,000 to \$500,000. Seasonal product can be had from \$200,000 to \$250,000 on the back lakes or \$350,000 to \$400,000 on the river. Some families have limited their cross-border travel in light of tighter restrictions and longer processing times at checkpoints, opting instead to vacation closer to home. This trend has also spurred demand this year. Popular areas continue to be Charleston Lake, the St. Lawrence River, the Rideau System and the numerous smaller back lakes. The upper-end of the market has slowed during the first four months of 2009. The most expensive recreational property to change hands in 2009 was a seasonal island home on Lake Ontario that changed hands for \$386,000.

## Fort Erie

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*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$299,000*

Discount pricing and record low interest rates are prompting a growing number of purchasers to consider recreational property ownership in Fort Erie. While sales are off last year's pace, demand





is greatest at the entry-level price point. The vast majority of sales to date have occurred under \$200,000—the most expensive, a 1,250 sq. ft. bungalow on the shores of Lake Erie, was sold for \$367,000. Affordably-priced recreational properties are the major attraction in the area, with the starting price of a three-bedroom, winterized cottage on 50 ft. of lakefront hovering at \$299,000. Seasonal product on a similar lot can be had for substantially less. Overall average price for recreational properties from Crystal Beach to Wainfleet has declined in the first four months of the year, falling from \$189,000 in 2008 to \$157,000 in 2009. Most popular with today's purchasers are cottages a short walk from the beach that provide lake access. Ranging in price from \$100,000 to \$200,000, these two-bedroom recreational properties tend to offer good value for the dollar. The number of cottages currently listed for sale is down slightly from 2008 levels, with just 44 properties on the market to date. With cottage season kicking into high gear, an influx of listings is expected in the weeks ahead. Demand is also expected to climb as the weather improves. Aging baby boomers will lead the charge for properties in Fort Erie, driving demand for product from Pleasant Beach to Dunnville. While traditional cottages remain most coveted, some budget-conscious purchasers are looking at older mobile homes and trailers in Sherkston Shores, priced under \$100,000.

## Prince Edward County/ Picton

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$200,000 – \$250,000*



\$223,900

While demand for recreational properties in Prince Edward County was moderate early in 2009, there has been a significant increase in activity in the last two weeks of April and early May. Waterfront sales are up year-to-date, with 13 properties having changed hands, compared with 10 one year

ago (January to April). The starting price for a three-bedroom, winterized property on a 50 ft. waterfront lot is now \$200,000

to \$250,000, although product is limited. The same type of property, suitable for three-season use, can be had from \$199,000. The most active price range is \$250,000 to \$300,000. Prices have fallen compared to one year ago, with a 10–20 per cent reduction, depending on product and location. Some vendors have been slow to come on side in light of softer market conditions, but product that is priced correctly is moving. Baby boomers continue to seek out year-round waterfront homes in the area with an eye to retirement. While most want the single-family lakeside retreat, some boomers are looking to waterfront or waterview condominiums in areas like Picton, where they can enjoy the area and amenities, without the upkeep. The trend is top of mind with developers, as more projects are planned or underway. Affordability is an issue, and many purchasers are still compromising, but lower prices and improved interest rates have been a catalyst in recent months. In fact, boosting activity this year are purchasers who delayed making decisions in 2008, but jumped back in with confidence and enthusiasm. Another trend that is quietly growing in Prince Edward County is land purchases, with some baby boomers immersing themselves in wine country, quite literally—undertaking grape-growing on a part-time basis. It's become the hobby farm of today's purchasers. A good supply of inventory exists in most price ranges, with the exception of the popular \$250,000 to \$300,000 price point. Inventory in the upper end is more than adequate, as the \$500,000 plus range has been slower than usual this Spring. The most expensive waterfront property sold in 2009—a five-bedroom, four-bathroom, 3,000 sq. ft. home on 150 ft. of Picton Bay—sold for \$730,000. The property featured a salt water pool with a hot tub and granite waterfall. Most buyers continue to look to Prince Edward County and Picton's prime waterfront including West Lake, Bay of Quinte, Picton Bay, East Lake and Adolphus Reach.

## Arnprior

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

Economic stability has contributed to the overall health of the recreational property market in the Arnprior area. The number of recreational properties sold remains on par with levels reported one year ago, while values have held steady since 2008. Proximity to the nation's capital has been a boon to the area, stimulating recreational property activity at virtually all price points.



\$295,000

While concerns over whether or not values have hit bottom have deterred some purchasers, others have been prepared to jump into the market with enthusiasm, taking advantage of improved affordability due to low interest rates and good selection. Most purchasers—middle-aged professionals with families—have been looking

for waterfront properties, priced under \$400,000. The four-season lifestyle on Calabogie, Centennial, and Norcan Lakes—offering downhill and cross-country skiing, golfing, hunting, and snowmobile/nature trails—has served to entice many. An ample supply of waterfront currently exists in the outlying areas and on smaller lakes and rivers, but inventory is more limited on the larger lakes where demand is greatest. Most buyers are prepared to pay a premium for the privilege of location, location, location. Demand is solid at the top end of the market, yet purchasers are very selective with product over the \$500,000 price point. The most expensive property sold in 2009 went for \$385,000 on Lake Calabogie. Starting price for a three-bedroom, winterized recreational property on 50 ft. of waterfront will hover at \$300,000, while seasonal properties, albeit few and far between, can be scooped up from as low as \$225,000.

Many are buying up lower-end seasonal product and converting it to year-round living. Americans remain active, although to a lesser extent than in years previous, driving the reverse snowbird



\$219,000

trend. A good selection of product exists across all price ranges, though sales have fallen most in the mid-range. A three-bedroom, winterized recreational property on a standard waterfront lot now starts from \$300,000. Seasonal or second row properties are generally priced between \$100,000 and \$185,000 to start, and are currently the most sought-after

recreational product. Second row cottages, in particular, have seen an upswing in popularity due to affordability and supply. Some buyers are even looking at feeder lakes and rivers, although the product and location is more rustic. Lake Winnipeg and Winnipeg Beach remain most coveted, by far. With greater inventory, it has become more important than ever for properties to be priced at fair market value. Those that are overpriced are not moving. Given the economy and price reductions, some purchasers have tried their hand at lowball offers, but without much success. Most vendors remain in no hurry to sell. While the vast majority of buyers are end users these days, there has been a growing trend toward owners renting their properties during prime season to offset the cost of ownership. Developers and investors have also been active in new condominium construction underway in the area. However, the lion's share of today's purchasers is aged 35–45 with younger families.

# Manitoba

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## Lake Winnipeg

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

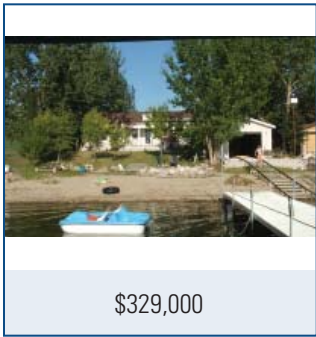
The market for recreational property in Lake Winnipeg has started to pick-up steam as more properties are listed for sale. A slight reduction in pricing has brought forth a new pool of purchasers at virtually every price point. Some prime recreational product is starting to hit the market, as older retirees downsize to waterfront condominiums. The most expensive sale to date at \$585,000 was a waterfront cottage on Willow Island. The trend toward permanent residence in recreational areas, spurred by the boomer segment, has helped keep product moving.



# Saskatchewan

## Last Mountain and the Qu'Appelle Lakes

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$300,000 – \$350,000*



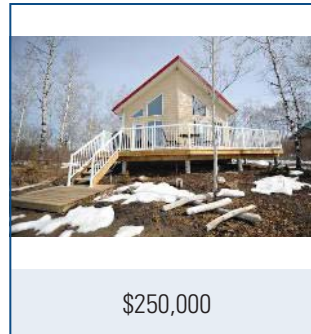
A delayed start to the season brought on by inclement weather and economic uncertainty slowed sales activity in Last Mountain and the Qu'Appelle Lakes earlier this year. The momentum has increased somewhat since the start of May, as the traditional cottage season gets underway. Today's buyers are

approaching the market with greater caution, given that recreational properties are more of a "want" item, particularly in recessionary times. Those who have the means are going forward, but taking more time to make their moves. Days on market have increased since last spring, now an average of 83 for Regina's surrounding areas. A good selection of inventory is available for most types of product, with 104 properties currently listed on Last Mountain Lake through MLS, although activity has been hampered, to some extent, by pricing issues. Reductions are expected this year, but it is too early in the season to determine what the extent of those reductions will be. Most buyers are looking for value, with demand strongest for backlot properties under \$200,000, within a resort community that offers access to the lake. There is still high demand for lakefront properties, especially those with a cheaper price tag, and waterfront lots. A three-bedroom, winterized home on Last Mountain Lake now starts from \$300,000 to \$350,000, while seasonal homes on the lake start from \$250,000 to \$300,000. A reasonable pool of buyers is looking for quality lakefront properties priced up to \$500,000 on both lakes, but product is limited and some require price adjustments. Luxury product will still move this year if it offers good value for the dollar.

Year-round product continues to sell quite well, bolstered by locals, boomers and Generation X. Interest in seasonal homes at the lower end of the market has picked up in recent weeks. The most expensive MLS sale in the area to date was \$429,900 on Mission Lake for a 1,600 sq. ft. walkout bungalow, built in 1995, with triple garage on a 130 ft. waterfront lot. Demand for waterfront is expected to increase in coming weeks, in tandem with the arrival of the traditional recreational property season.

## North Saskatchewan

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



Winter held on longer than usual this year, resulting in a late start to the recreational season in North Saskatchewan. While few properties have changed hands to date, demand is consistent with last year and sales remain on par. Buyers are confident in their decisions, but have been exceedingly careful not to

overpay. Prices have held up, matching 2008 levels. Boomers and empty nesters continue to have a presence, but young families have driven demand in 2009, seeking affordable lakefront properties priced from \$125,000 to \$300,000. Seasonal properties—from \$125,000 on the lake—are most sought-after at present, as winterized product commands \$250,000 plus. An adequate supply of inventory exists across the board, with the exception of the heated \$125,000 to \$200,000 range. Lakes Emma, Christopher, and Candle continue to be most popular, as well as the Cowan (Big) River. While some have been attracted to rock-bottom prices in the southern US, most snowbirds continue to maintain a cottage residence for the summer months. The trend in 2009 has been modern interiors—many will pay extra for updated décor and features, while others are more than happy to renovate a 'diamond in the rough.' The upper-end has remained relatively resilient to date, with a good supply of lakefront properties priced over \$400,000. The most expensive sale in North Saskatchewan's recreational market this year was \$675,000 on Emma Lake.



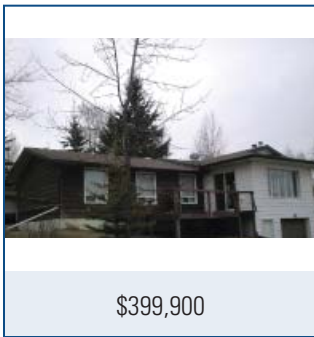
# Alberta

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## West of Edmonton

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*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$390,000*



\$399,900

Low interest rates and an anticipated influx of recreational product should kick-start demand for waterfront on the big three lakes west of Edmonton in coming weeks. As the snow clears, an increasing number of sellers are expected to place their properties on the market on popular Lake Isle, Lac St.

Anne, and Wabamun Lake. Few and far between, year-to-date sales of recreational property have fallen from 2008 levels. Starting price for a three-bedroom, winterized recreational property on a 50 ft. waterfront lot on the big three currently hovers at \$390,000, while a seasonal property on a peripheral lake like Lac La Nonne is typically priced from \$199,900. The big three continue to draw the lion's share of purchasers, many of whom are looking for product under the \$300,000 price point. Young baby boomers and older Generation X are expected to account for much of the activity in the recreational property market this year. Concerns over future values have given some buyers in the marketplace reason to pause, but the cost of financing is so attractive that many are predicted to make their moves in the months ahead. Deals south of the border have also proved enticing, with many purchasers who would have bought a second property west of Edmonton heading to Arizona and California to take advantage of market conditions there. Value continues to be the main objective, with purchasers prepared to spend their hard-earned dollars on real estate, but wanting to ensure that they've negotiated the best deal possible.

## Sylvan Lake

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*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$1,125,000*



\$1,200,000

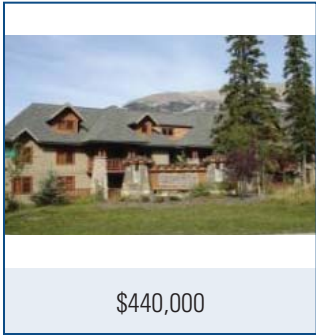
Despite concerns over the state of the global economy, sales of recreational properties on Alberta's prestigious Sylvan Lake have held up year-over-year. The number of properties sold is on par with 2008 levels, while prices have experienced some softening, falling 10 per cent from one year ago. The market for water-

front, propped up by "recession-proof" professionals such as doctors, dentists, and lawyers, remains steady, with the starting price for a three-bedroom, winterized recreational property on a standard-sized 50 ft. lot hovering at \$1,125,000. Inventory levels are adequate across the board, but demand is strongest for vacant land on Sylvan Lake. A new development offering lakefront lots—coming on stream in the months ahead—is expected to move quickly. Affordability continues to be an issue in the area, with many younger purchasers travelling to neighbouring Gull Lake where a similar property can be purchased at a fraction of the price—between \$400,000 and \$500,000. Oil and gas executives, as well as those in oil-related industries, who were once a major force in the recreational property marketplace have dwindled. Many purchased years ago and have watched their properties appreciate in value. This is the first year in more than 20 that values have fallen and buyers are firmly in the driver's seat. Today's rock-bottom interest rates, combined with the correction in values, have created ideal opportunities. Activity is expected to gain momentum in the months ahead as the traditional cottage season gets underway.



# Canmore

*Starting price for a two-bedroom, standard-sized recreational condominium: \$295,000*



Rock-bottom interest rates and softer recreational property pricing are expected to attract a growing number of purchasers to Canmore's vacation property market in the months ahead. Forty-six properties have changed hands from January to April of this year, down from the same period in 2008, while average

sale prices for recreational units have dipped approximately 13 per cent during the same period, falling to \$438,000. Vendors have been slow to come on side with price adjustments, though product priced competitively at fair market value continues to move well. Activity is relatively equal across the board, but slightly favours the entry-level price point. At the upper end, luxury product continues to see movement where excellent value is offered. The highest sale price recorded in 2009 was \$1.78 million for a single-family home in Three Sisters

Mountain Village, offering 5,500 sq. ft. of living space and impressive views. An overabundance of supply exists across all segments, but not all inventory is priced appropriately. Days on market are increasing, even in the popular lower end, averaging 100 days plus. Buyers are taking their time making decisions and being more selective overall. The starting price for a superior two-bedroom condominium in a premium location is now \$450,000, while the standard entry-level two-bedroom unit can be picked up from \$295,000. Three Sisters Mountain Resort remains popular with recreational purchasers, along with the Montane Area—a recreational condo neighbourhood within walking distance of downtown, off Bow Valley Trail. Although sales have been sluggish to date, interest in the area is definitely increasing. Inquiries have picked up considerably in recent weeks, as is traditional in the Spring and Summer months. The current slowdown is expected to be temporary, as today's recreational buyers take advantage of current market conditions to realize ownership.





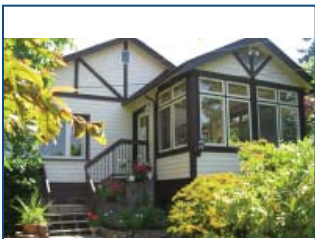
# British Columbia

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## Salt Spring Island

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*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$890,000*



\$599,000

While demand for recreational properties on Salt Spring Island was soft throughout the first quarter of 2009, activity picked up considerably in mid-April. Sales have since gained momentum, but are still off last year's frantic pace. Three sales have taken place over \$1 million during the first 13 days of May, yet the

bulk of purchasers continue to seek out properties priced under \$500,000. Entry-level cabins/modest homes (though rarely available at this price point) or condominiums not on waterfront are representative of the most affordable product on the island and start around \$300,000. Purchasing power has increased overall compared to last season, given price reductions ranging from an estimated 10 to 20 per cent, depending on price point. The most expensive waterfront property that sold this year was a \$1.175 million year-round inland luxury home. Currently, there are two conditional sales of waterfront homes above that benchmark—one in the \$1.8 million range and another rumoured to be in the \$3 million range. An oceanfront home now starts from \$890,000, while the lowest-priced oceanfront condominium on the market is currently offered at \$725,000. A cabin on the ocean can be had from just under \$500,000, while condominium units off the water start at \$369,000. Baby boomers are most active, with islanders leading demand—taking advantage of improved

affordability—followed by those from Vancouver and a strong contingent from Alberta. A good selection of inventory exists, although entry-level and well-priced waterfront listings remain limited in supply. Cabins and homes on acreage continue to be a frequently sought-after commodity for those seeking rural privacy. Approximately 50 per cent of the sales this year have been improved acreages. Some Americans are selling out, bringing prime property to the market for the first time in years. Oceanfront remains popular with westcoast purchasers—most coveted is Sunset Drive, Scott Point and Vesuvius Beach—while out-of-province buyers may prefer inland lakes. Regardless of price point or location, properties listed at fair market value are generally moving, while product that is over-priced stagnates. Several trends have emerged in 2009. Some buyers are sitting on the sidelines to see if prices will come down further, but as choice product becomes available during peak season, those who wait may find they miss the best buys when they jump back in. Many of today's purchasers wield the technology advantage—automated notification of new listings that allows them to react almost instantly to new listings, resulting in some multiple offers. Lowball offers are also a phenomenon of the economic climate, however, sellers are only entertaining offers deemed 'reasonable,' especially when they have priced their property to sell in today's market.

## Mt. Washington/Comox Valley

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



\$575,000

Demand for recreational properties has been brisk in Mt. Washington and the Comox Valley in recent weeks. Recent price reductions and improving weather has reignited demand from both locals and out-of-province buyers alike. However, a slow start in January and February translated into lower sales

year-to-date. Fifteen properties were sold in 2009—five waterfront/oceanfront properties and 10 at Mt. Washington/



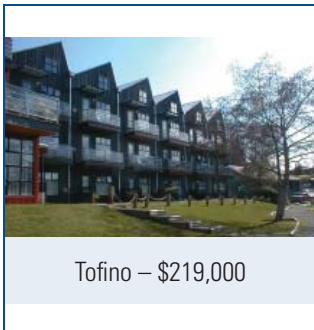
Crown Isle. At this time one year ago, 39 recreational properties had changed hands. Given softer conditions, price corrections in the range of 10–20 per cent have taken place. A three-bedroom, winterized home on the ocean now starts at \$500,000. Crown Isle Resort offers good value for the dollar, with prices starting from \$440,000 for a year-round home and \$300,000 for a condominium. Mt. Washington is a more affordable option, with year-round homes priced at \$400,000 plus, while a condominium can be snapped-up from a reasonable \$179,000. There has been a major shift in the recreational marketplace: Crown Isle is heating up, now eclipsing oceanfront property as the most coveted recreational area, and it all comes down to value. For \$500,000, purchasers can buy a 1970s handyman’s special on the ocean or a modern, turnkey property with quality finishes in the area’s newest blue-chip community. After being enticed by unprecedented deals south of the border last year, Albertans are returning to the marketplace, albeit many with unrealistic expectations inspired by US fire sales. While vendors are ready to deal, entertaining fair bids, they are in no hurry to unload their properties. Opportunities abound at Comox Valley/Mt. Washington and serious buyers are privy to the best selection and purchasing power in years, a reality that has not escaped savvy purchasers or investors. Even activity in the upper end has been steady. Three sales have been recorded over the \$1 million threshold to date. The priciest was a 5,400 sq. ft. home at Crown Isle that changed hands for \$1.215 million.

## Ucluelet/Tofino

*Starting price for a three-bedroom, winterized recreational property on a standard-sized oceanfront lot:*

*Ucluelet – \$555,000*

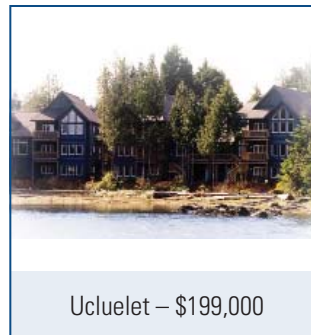
*Tofino – \$789,000 (including inlet waterfront)*



Tofino – \$219,000

An upswing in consumer confidence levels, combined with a marked increase in demand for recreational properties, may signal recovery for markets in both Ucluelet and Tofino. While sales are still off last year’s figures by approximately 40 per cent, eighteen recreational properties have sold

year-to-date. Prices—down 15 per cent compared to last year—have stimulated renewed interest, as optimistic purchasers seize the opportunity to realize affordable ownership. The most active price range in Tofino is under \$500,000, while most buyers in Ucluelet are spending around \$500,000. Waterfront condominiums remain very popular, with a one-bedroom suite starting from \$199,000 in Ucluelet and \$284,000 in Tofino. Black Rock Resort in Ucluelet has garnered much attention with condo units priced from \$289,000. There is an abundance of supply available for sale in Ucluelet this year, while inventory levels are simply adequate in Tofino. The exception remains quality oceanfront or oceanview product, which is still limited. Prices on this type of product have held firm, typically commanding a premium. The most active buyers have been those from Alberta, including oil industry professionals and their families and other executive types. Boomers are still leading the charge, but the under-35 crowd, mostly surfers, has been making a mark—buying up second row condominiums as weekend retreats. Value seems to be the objective, no matter the price point, as purchasers clearly take advantage of buyer’s market conditions. Lowball offers are occurring, although



Ucluelet – \$199,000

most are not successful. With increased negotiation occurring, the buying process is more involved than ever before, with a greater number of sign-backs, clauses and conditions than in years past. All purchasers are taking more time to make decisions, and as such, days on market have increased as well. A \$2.325 million glass and cedar modern home on

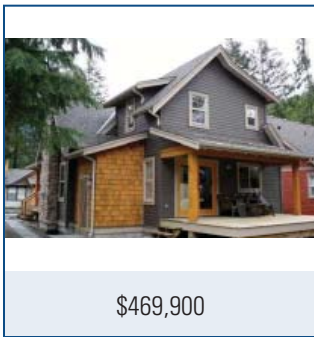
Chesterman’s Bay and an \$885,000 open-ocean waterfront lot in Ucluelet were this year’s most expensive sales.



# Fraser Valley

## Harrison and Cultus Lakes

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



Recreational property buyers in the Fraser Valley can expect to see a transitional market this year, characterized by falling prices and greater negotiating power. While more opportunities will present themselves in 2009, activity in the area's recreational property market has been sparse to date, with only a

handful of listings changing hands on both Harrison and Cultus Lakes. Vendors who continue to price their properties at 2007/2008 levels, despite the risk of stagnation, have reached a stalemate with purchasers who are looking for waterfront properties that represent good value for the dollar. Prices now start at \$450,000 for a three-bedroom, winterized recreational property on a standard waterfront lot. Seasonal product is considerably less expensive, priced from \$350,000. A good selection of inventory exists. Demand and momentum is expected to pick up in coming months, but for that to happen, vendors will have to accept the new realities and adjust expectations accordingly. It is estimated that a correction in the neighbourhood of 20 to 30 per cent is warranted on much of the area's existing inventory. One segment of the market that is forecast to experience slower recovery is the upper end, which is expected to record fewer sales in 2009. The most expensive recreational sale on MLS to date was \$510,000. The listing was a second row property, backing onto a provincial park. Overall, buyers remain cautious and are willing to sit on the sidelines until confidence in pricing returns. Activity will improve as vendors reassess their own personal situations.

# Okanagan Valley

## South Okanagan

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$800,000*

After 20 years of strong upward momentum, recreational property prices in the South Okanagan have experienced a correction. While overall sales are down about 50 per cent so far this year, values have declined 20 to 25 per cent, with more expensive properties falling even further. For those purchasers with job security, the combination of lower prices and rock-bottom interest rates has created ideal opportunities. An abundance of recreational property product is currently available for sale, from condominium apartments and townhomes at Apex starting at \$200,000 for a 1,000 sq. ft. apartment at the foot of the ski hill, to three-bedroom, waterfront homes on Lakes Okanagan, Skaha, and Osoyoos, priced from \$800,000. Creative buyers from the Lower Mainland seeking greater value have extended their search perimeters to include residential properties within walking distance of the lake, with a price tag of \$300,000 to \$350,000, as well as condominium apartments situated on golf courses priced in the \$200,000s. Vineyards are also a popular alternative to recreational properties, with special appeal to upper-end purchasers. The vast majority of activity in the marketplace, however, now occurs under the \$400,000 price point. Established Generation X purchasers—aged between 35 and 45 years—are most active in the market. Many hail from B.C.'s Lower Mainland and Alberta, although concerns over the future of oil and gas have put the brakes on spending to some extent in that province. Momentum is expected to pick up in the weeks ahead and hold steady throughout Summer and early Fall.





# North Okanagan/ Shuswap

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

*Vernon: \$1,200,000*

*Shuswap: \$800,000*



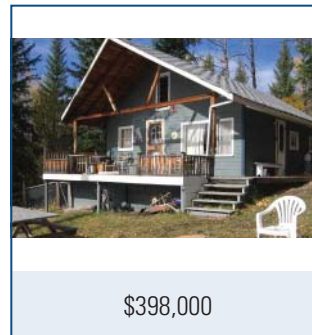
Momentum has been building in the North Okanagan/Shuswap area over the past eight weeks, as the traditional recreational property season gets underway. Sales in the first four months of the year are down compared to 2008 levels, in large part due to weather and a more cautious approach to discretionary

purchases. Prices have generally fallen from last year's levels, but reductions vary by product and price point. Affordability remains an issue, but buyers have greatly benefited from greater purchasing power in recent months. Starting prices range from \$250,000 for a studio apartment to \$475,000 for a townhouse at Silver Star, while waterfront properties on sought-after Shuswap now command \$800,000 and up. Seasonal cottages on the lakes can be had from \$700,000, but are becoming increasingly rare. The bulk of purchasers remain from out-of-province, while Europeans and Australians are quite active at the ski resort. Some bargain hunters are testing vendors' bottom lines, but product priced right is selling reasonably close to ask. There has been an upswing in demand for detached properties with quality finishes, both on the lakes and at the ski resort. Inventory is currently adequate across all price ranges. Generation X has been more active in 2009. Sought-after recreational areas continue to be Lakes Okanagan, Kalamalka, Shuswap and Mara, as well as Silver Star Mountain Resort and Predator Ridge Golf Resort. The most expensive sales to date include a penthouse suite at Silver Star that sold

for \$1.5 million; an older home on an estate lot on Lake Okanagan, which sold for \$1.225 million; and a 3,000 sq. ft. executive home with 1.25 private acres on Shuswap Lake that changed hands for \$825,000. Overall, buyers can expect greater flexibility in pricing and better value for the dollar in 2009, while sellers can expect sales within the average days on market, if they are priced fairly and competitively.

# South Central Cariboo

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$220,000 – \$240,000*



Interest in recreational properties is expected to gain momentum in South Central Cariboo as weather conditions improve and the peak market for waterfront gets underway. While overall unit sales are off last year's pace, the gap is expected to shrink in coming weeks. Baby boomers are expected to account for

the vast majority of sales, driving demand for entry-level product. Seasonal cabins in rural locations, priced under \$200,000, are most popular with this segment of the market. Offering two to three acres, on 100 ft. of water or creek front, these recreational properties have growing appeal with those who desire peace and privacy. As such, second row and view properties, set further back from busier waterfront areas, have experienced renewed interest. Price remains a motivating factor, given that seasonal product is now priced from \$135,000, while a comparable three-bedroom, winterized property on a standard waterfront lot now commands \$220,000 – \$240,000 to start. Affordability remains very good, given the excellent selection of product across all price ranges and today's exceptionally low interest rates. Lowball offers have occurred, but most properties are selling for close to list price. Prices overall have remained fairly stable, within \$3,000 of last year's level, on average. The upper end of the market is slow at present and is expected to remain softer than usual this year. The most expensive sale to date moved for \$135,000 on Eagle Creek (although it should be noted that only a handful of recreational properties have changed hands in South Central Cariboo this



early in the season). Those that have made their moves, or are currently looking, are doing so with confidence on lakes such as Bridge, Sheridan, Horsefly and Quesnel. Value will remain the objective in 2009, with simple retreats most sought after.

## Whistler

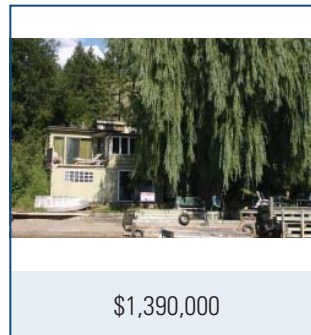
*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$1,000,000 (Alta Lake)*

Recreational property prices continue to hold relatively steady in Whistler, despite a considerable decline in sales activity this year. Just over 100 properties changed hands between January and April 30, including townhomes, condominium apartments, and single-family detached homes. Yet, only the townhouse segment of the market, offering product priced from \$500,000 to \$4 million, experienced softening, with median values down about 17 per cent from 2008 levels. Solid demand for townhomes, compounded by a limited supply of product, placed serious upward pressure on pricing in recent years—more so than any other housing type. As a result, prices in that segment of the market are in the midst of a correction. Moderate demand exists virtually across the board, with local purchasers and those from the Lower Mainland fuelling recreational property activity. Americans are also active in Whistler, thanks to a stronger US dollar, buying and selling recreational properties in the area. While single-family homes starting at \$800,000 are popular with today's purchasers, condominiums remain most coveted—and affordable. Starting values for a two-bedroom condominium with restricted use—hotel operated—hover at \$400,000, while similar product with non-restricted usage will be priced from \$500,000. With no new condominium construction planned in the years ahead, limited inventory in non-restricted developments such as the Aspen (ski-in/ski-out) could see a significant upswing in price. For purchasers who want the best of both worlds, waterfront properties are also available in the area, with older homes on the west side of Alta Lake—farthest from the ski hill—starting at \$1 million. Newer product will cost \$2 million plus, while a similar property on the mountainside of the lake will command between \$2 to 3 million and more. The most expensive property sold for \$7.1 million in Whistler this year. Changing market realities have not yet impacted today's vendors, many of whom have realized substantial equity gains since entering the market. With little or no pressure to sell these second

and third homes, sellers and buyers have reached a stalemate. Greater stability in the stock market, and the economy overall, will help to bolster recreational property sales throughout the remainder of 2009. Sales are expected to surge, once again, after the 2010 Olympics—an event that will showcase Whistler's prime real estate, pristine landscapes and world-class recreational amenities on an international stage.

## Lake Windermere

*Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot: \$1.2 million*

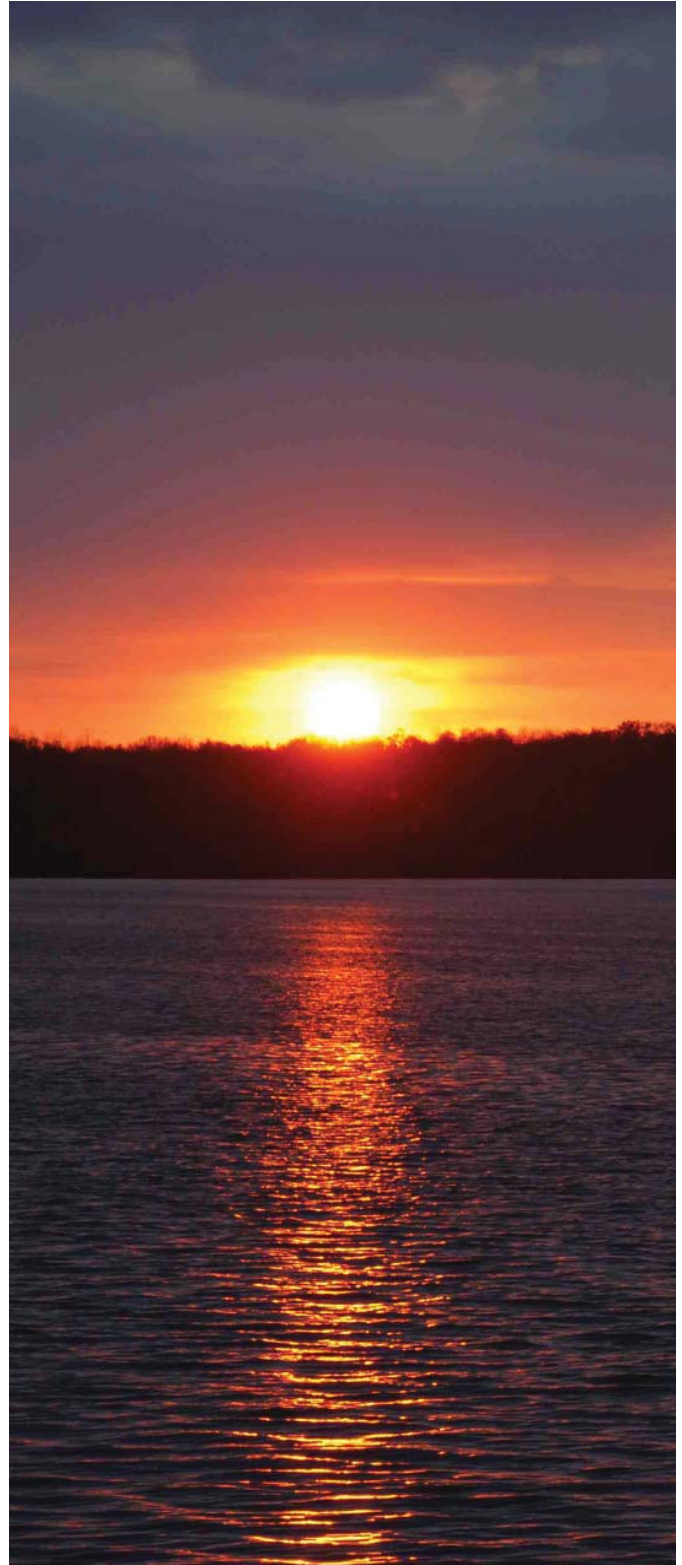


Economic uncertainty has prompted purchasers in Lake Windermere to approach the recreational property market with caution. The mindset that prices may fall further has some buyers sitting on the sidelines, and as such, demand has fallen compared with 2008 levels. Those who are active are driving demand

in the entry-level price points—between \$500,000 and \$700,000. Sales over the \$700,000 mark have slowed, with only one property exceeding that threshold this year. Overall, sales have fallen year-over-year. Average price has dropped 15 per cent compared to 2008 levels. While careful purchasers can find properties that offer good value, some properties remain overpriced, as vendors are slow to accept the necessity of price reductions. A three-bedroom, winterized cabin on a standard lot on Lake Windermere now starts from \$1.2 million, while a view property is typically priced from \$800,000. Backlot properties with no view fetch \$500,000 and up.



Affordability remains an issue in the area. Creative purchasers are buying cabins and placing them in a rental pool to offset the cost of ownership. Prime rentals can command upwards of \$3,500 a week at peak season, while non-prime can fetch \$1,500 to \$1,800. Purchasers are taking a more cautious approach going forward in 2009 and are more thorough in researching every option available. Buyers that are stepping in are reasonable in their pursuits—Lake Windermere has yet to be impacted by lowball offers common in other markets. One new emerging trend amid buyer’s market conditions is greater negotiation for chattels and other inclusions or conditions. As such, opportunities do exist to get the greatest value for the dollar with an experienced realtor. The most expensive sale in the area to date was a \$1.2 million waterfront property located in the heart of a bird sanctuary, offering tranquility, privacy and views. The most active buyers are those in their 40s or 50s, some with young families, seeking lake access properties or condominium alternatives. Lakes Windermere and Columbia remain most coveted, but value is the theme in 2009, and as such buyers will consider just about anything if it fits their needs and budget.



# Starting Prices for Recreational Properties\*

Market	2008	2009
<b>NEWFOUNDLAND – LABRADOR</b>		
Newfoundland Coast**	\$95,000	\$97,500
<b>NEW BRUNSWICK</b>		
Shediac Bay	\$200,000	\$200,000
<b>NOVA SCOTIA</b>		
South Shore, North Shore**	\$200,000	\$230,000
<b>PRINCE EDWARD ISLAND</b>		
South Shore, North Shore, Summerside**	\$250,000	\$300,000
<b>ONTARIO</b>		
Lake Huron – Grand Bend	\$350,000	\$400,000
Kincardine, Saugeen Shores	\$500,000	\$450,000
Parry Sound	\$180,000	\$185,000
Elliott Lake	\$225,000	\$225,000
Sault Ste. Marie	N/A	\$200,000
Temagami	\$250,000 - \$300,000	\$275,000
North Bay	\$300,000	\$300,000
Haliburton	\$275,000	\$240,000 - \$350,000
Bancroft	\$225,000	\$260,000
Apsley	N/A	\$375,000
Combermere	N/A	\$290,000
Muskoka: Huntsville, Lake of Bays	\$299,000	\$300,000
Port Carling, Bala	\$500,000 - \$550,000	\$450,000
Bracebridge, Gravenhurst	\$400,000	\$350,000 - \$400,000
Flesherton	\$450,000	\$400,000
Georgian Bay: Midland	\$600,000	\$500,000
Honey Harbour	\$400,000	\$400,000 - \$425,000
Sauble Beach/Bruce Peninsula	N/A	\$350,000
Collingwood	\$650,000	\$390,000 - \$550,000
Wasaga Beach	\$550,000	\$525,000
Lake Simcoe, Lake Couchiching-Orillia	\$425,000	\$425,000
Innisfil to Oro	\$480,000-\$520,000	\$500,000

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

\*\* Oceanfront property

\*\*\* Two-bedroom condominium

\*\*\*\* Seasonal property

# Starting Prices for Recreational Properties\*

Market	2008	2009
<b>ONTARIO</b>		
Lagoon City	\$300,000	\$300,000
Beaverton	\$350,000	\$300,000
East Kawarthas	\$150,000	\$195,000
West Kawarthas	\$410,000 - \$450,000	\$400,000
Kingston	\$179,900	\$250,000 - \$270,000
Gananoque	\$300,000	\$250,000 - \$300,000
Fort Erie	\$360,000	\$299,000
Prince Edward County	\$295,000	\$200,000-\$250,000
Arnprior	\$300,000	\$300,000
<b>MANITOBA</b>		
Lake Winnipeg	\$250,000	\$300,000
<b>SASKATCHEWAN</b>		
Last Mountain and the Qu'Appelle Lakes	\$300,000	\$300,000 - \$350,000
North Saskatchewan	\$350,000	\$250,000
<b>ALBERTA</b>		
West of Edmonton	\$400,000	\$390,000
Sylvan Lake	\$1,250,000	\$1,125,000
Canmore***	\$320,000	\$295,000
<b>BRITISH COLUMBIA</b>		
Salt Spring Island**	\$1,300,000	\$890,000
Comox Valley – Mt. Washington**	\$480,000 - \$800,000	\$500,000
Vancouver Island – Ucluelet**	\$649,000	\$555,000
Tofino (including inlet waterfront)**	\$869,000	\$789,000
Fraser Valley – Cultus Lake/Harrison Lake	\$750,000	\$450,000
Okanagan Valley – South Okanagan	\$1,000,000	\$800,000
North Okanagan/Shuswap		
Vernon	\$1,500,000	\$1,200,000
Shuswap	\$800,000	\$800,000
Central South Cariboo****	\$140,000	\$135,000
Whistler	N/A	\$1,000,000
Lake Windermere	\$1,300,000	\$1,200,000

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

\*\* Oceanfront property

\*\*\* Two-bedroom condominium

\*\*\*\* Seasonal property

# RE/MAX Recreational Property Report 2009

## NATIONAL CONTACTS

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## LOCAL CONTACTS

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Market	Contact	Office	Phone
<b>NEWFOUNDLAND – LABRADOR</b> Newfoundland Coast	Steve O'Connell	RE/MAX Realty Specialists	709-726-8300
<b>NEW BRUNSWICK</b> Shediac Bay	Chris Constantine	RE/MAX Quality	506-384-3300
<b>NOVA SCOTIA</b> South Shore, North Shore	John Dibbin	RE/MAX South Shore	902-543-8882
<b>PRINCE EDWARD ISLAND</b> South Shore, North Shore Summerside	Alie Mills Rocky Arsenault	RE/MAX Charlottetown RE/MAX Habourside	902-892-2000 902-888-3600
<b>ONTARIO</b> Lake Huron: Grand Bend Kincardine, Port Elgin Parry Sound Elliot Lake Sault Ste. Marie Temagami Lake Nipissing: North Bay Haliburton Bancroft Apsley Combermere Muskoka: Huntsville/Lake of Bays Bala, Port Carling Bracebridge, Gravenhurst Flesherton Georgian Bay: Midland	Doug Pedlar Cleo Decoppel John Sallinen Clarence Baarda Violette Amimi Barry Graham  Patti Bentley Vince Duchene Ted Bartlett Ambrose Moran Cathy Pitts  Lynne Winterfield Steve Curry Marlene O'Hara Jean Boynton  Peggy Worthen	RE/MAX Bluewater RE/MAX Land Exchange RE/MAX Parry Sound-Muskoka RE/MAX Nu-Trend RE/MAX Sault Ste. Marie RE/MAX Legend Real Estate  RE/MAX Legend Real Estate RE/MAX Haliburton Highlands RE/MAX Country Classics RE/MAX Country Classics RE/MAX Country Classics  RE/MAX New Lifestyles RE/MAX Muskoka Realty RE/MAX Lake Country RE/MAX High Country  RE/MAX Georgian Bay	519-238-5700 519-389-4600 705-746-9336 705-848-4705 705-759-0700 705-569-1212  705-495-4555 705-457-1011 613-332-0444 705-656-2000 613-756-1514  705-788-1444 705-765-6801 705-687-2243 519-924-3513  705-361-3613

# RE/MAX Recreational Property Report 2009

## LOCAL CONTACTS

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Collingwood	Norm Bauer	RE/MAX Four Seasons	705-445-8500
Wasaga Beach	Marilyn Ruttan	RE/MAX of Wasaga Beach	705-429-4500
Sauble Beach, Bruce Peninsula	Dennis Herman	RE/MAX Grey Bruce Realty	519-371-1202
Lake Couchiching/Lake Simcoe:			
Orillia	Dan Stoutt	RE/MAX Orillia	705-325-1373
Innisfil to Oro	Rick LaFerriere	RE/MAX Chay Realty	705-722-7100
Lagoon City	Rick Fenn	RE/MAX Dockside	705-484-1111
Beaverton	Ian Burney	RE/MAX Country Lakes Realty	705-426-2905
East Kawarthas	John Bowes	RE/MAX Eastern Realty	705-743-9111
West Kawarthas	Darolyn Jones	RE/MAX County Town	705-324-6153
Kingston	Bob McKean	RE/MAX Realty Concepts	613-389-7777
Gananoque	Nancy Small	RE/MAX Riverview Realty	613-382-2211
Fort Erie	Cheryl Rienzo-Meger	RE/MAX Niagara Realty	905-356-9600
Prince Edward County/Picton	Christine Henden	RE/MAX Quinte Ltd.	613-476-5900
Arnprior	Denis Lacroix	RE/MAX Town Centre Realty	613-623-3665
<b>MANITOBA</b>			
Lake Winnipeg	Sheldon Brounstein	RE/MAX Real Estate Services	204-642-4888
<b>SASKATCHEWAN</b>			
Last Mountain Lake and Qu'Appelle Lakes	Natasha Blaisdell	RE/MAX Crown Real Estate	306-791-7666
North Saskatchewan	Larry Stewart	RE/MAX Saskatoon	306-242-6000
<b>ALBERTA</b>			
West of Edmonton	Janet Greer	RE/MAX Real Estate (Edmonton)	780-962-8580
Sylvan Lake	Dale Russell	RE/MAX Real Estate Central Alberta	403-343-3020
Canmore	Jessica Stoner	RE/MAX Alpine Realty	403-678-5890
<b>BRITISH COLUMBIA</b>			
Salt Spring Island	Jan MacPherson	RE/MAX Salt Spring	250-537-9977
Comox Valley/ Mt. Washington	Dave Procter	RE/MAX Ocean Pacific Realty	250-339-2021
Tofino/Ucluelet	Judy Gray	RE/MAX Mid-Island Realty	250-726-2228
Fraser Valley- Cultus and Harrison Lakes	Alex MacDonald	RE/MAX Nyda Realty	604-858-7179
Okanagan Valley:			
South Okanagan	Len Fox	RE/MAX Penticton	250-492-2266
North Okanagan	Brad Marsh	RE/MAX Vernon	250-549-4161
Central South Cariboo	Glen Holling	RE/MAX Country Lakes	250-395-3422
Whistler	Ann Chiasson	RE/MAX Sea to Sky Real Estate	604-905-6309
Lake Windermere	Wende Brash	RE/MAX Invermere	250-342-6505