



# RECREATIONAL WATERFRONT PRICES DOWN

**S**avvy recreational buyers may find great deals on lakefront or oceanfront property this year, according to report on the 2012 recreational market. It may be a good time to talk to your local Realtor and see what is available in cottage country.

The B.C. cottage market is now slowly recovering from the 2008 downturn, but it is how deeply undervalued waterfront real estate remains that surprises many veteran realtors and developers.

"Prices of waterfront property are well below replacement costs in many instances," said Mark Lester, senior vice-president at Sotheby's Canada. Lester, who specializes in unique properties, recently listed a 360-acre oceanfront property near Pacific Rim Park on the West Coast of Vancouver Island for \$20 million below what is priced at just four years ago.

According to the 2012 Royal LePage Recreational Property Report, there are also great deals on our B.C. lakefront. For example, 10 acres of lakefront in the Cariboo can be bought for less than the price of a studio apartment

in Metro Vancouver.

On Saltspring Island, and throughout the Gulf Islands, prices for even trophy waterfront are lower now than five years ago. Saltspring agent Li Read points to a 26-acre oceanfront property with an architect-designed mini-mansion. "This property would have sold for \$12 million in 2005," she said. Now it is listed, and open to offers, at \$7.5 million.

"Prices are off 20 per cent and up to 40 per cent from the peak," said Ed Handja a Vancouver-Island based specialist in oceanfront real estate. Among his listings: an entire island in the southern Gulf for less than \$1 million, or less than the price of an average detached house in Vancouver. According to the Royal LePage survey, the typical price for a waterfront cottage property in B.C. ranges from a low of \$261,000 to \$800,000, about 15 per cent to 20 per cent lower than two years ago.

The survey also found that more than half of recreational buyers were planning to rent out their property to help cover the cost. This compares with current owners, 83 per cent of whom do not rent out their property. Phil Soper,

president and CEO of Royal LePage, noted that recreational property buyers must figure out how they will finance the purchase, since banks are more restrictive in lending for secondary properties than in the past. If you are interested in recreational real estate, contact your local Realtor, who has access to all cottage properties for sale, across B.C. or anywhere in Canada.

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