



# COTTAGE TIME? BETTER JUMP IN NOW

Vacation-type real estate in British Columbia has seen prices softening since 2008 but a new report says sales and prices are firming this season.

"The value in recreational housing markets is virtually unprecedented," said Elton Ash, regional executive vice-president for Re/Max of Western Canada, noting, "it has been a soft five years for recreational property markets."

That is a bit of an understatement, according to a recent market survey by Real Estate Weekly sister publication, Western Investor.

A Western Investor search for the best deals in B.C. vacation property in May found oceanfront prices down 50 per cent, river and lakefront values off 40 per cent and prices at ski condos slashed from the

peak of five years ago.

In its annual Recreation Report 2013, Re/Max recognized similar price reductions, but found that prices were starting to rise in 77 per cent of the recreational markets studied - with the biggest recovery being seen in B.C. "the first to feel the effects of the downturn."

According to the Re/Max survey, there are still deals to be had in the B.C. recreational market compared to pre-crash prices of 2009.

In the South Okanagan, the two-bedroom lakefront cottage now sells for an average of \$649,000, down from \$800,000 five years ago. At Harrison Lake, a waterfront cottage sells today, on average for \$289,000, down from \$400,000. On the largest Gulf Island of Saltspring, waterfront homes are now

selling for less than \$600,000, a 30 per cent decline from 2009.

However, Re/Max found that prices at Cultus Lake have more than doubled in the past five years, to an average of from \$800,000 to \$1.2 million for a two bedroom lakefront cottage.

The Recreational Report 2013 said there are five reasons for the upturn in recreational sales this summer:

- Stronger consumer confidence in the economy
- Huge selection of recreational properties on the market;
- Lower prices;
- Paper wealth made in the stock market is filtering into the vacation market; and
- An increase in out-of-province buyers.

**“\$74,000: 11 acres of freehold oceanfront on the West Coast of Vancouver Island near Pacific Rim National Park - price reduction reflects current bargains in B.C. recreational real estate.”**

"The next four to five months tend to be busiest for recreational properties and, if the current pattern holds, most markets should post growth by year-end," the Re/Max report concludes.