

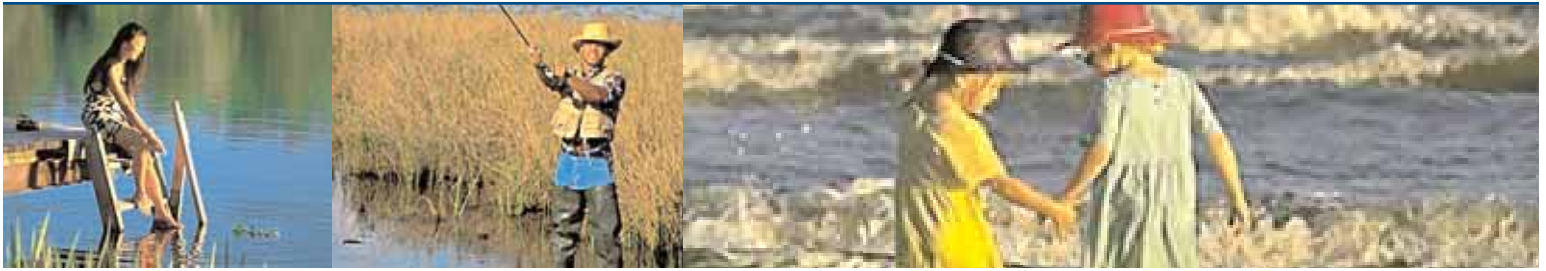
# RECREATIONAL PROPERTY



**REPORT**  
**2006**

## BRITISH COLUMBIA SALT SPRING ISLAND

Heavy investment activity continues along the shores of Salt Spring Island as out-of-province and international purchasers secure their piece of paradise. Americans, Albertans, and to a lesser extent Europeans, Asians, and Australians, are arriving en masse, seeking second, third, and fourth residences. Demand for recreational property has sent waterfront prices spiraling upward, while the Island's 1974 Trust restricting further development has served to further bolster recreational property values. Recent market evaluations place property prices as much as 20 to 25 per cent higher than last year's levels. Starting price for a three-bedroom, winterized waterfront recreational property on a standard-size lot is now \$1,000,000 plus. Waterfront recreational property prices range from \$655,000 for a cabin to close to \$6 million for a home on acreage, while raw land will cost \$800,000 to \$1,350,000. More affordable options, not waterfront, range from \$329,000 to \$599,000, some with a view, some without. Thanks to the internet, there are more and more international purchasers discovering the beauty of the Island, with some of the best boating, fishing, and diving in the world, and demand continues to escalate. Currently, there are several oceanfront homes listed for over \$2 million on Salt Spring Island. Many purchasers drawn to the area are baby boomers, between 40 to 60 years of age, who primarily make their living in the high-tech industry. The bustling, year-round community of almost 15,000 is rife with artisans, including well known artist Robert Bateman. Despite a growing market for new oceanfront construction, very few contractors are building on spec, and most construction on the Island is custom work.



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## WHISTLER

Although the record sale prices seen in 2005 have yet to be matched in 2006, Whistler's recreational property market is off to a solid start. Sales of chalets (single-family homes) and condos are up over the first quarter of 2005 and buyer interest, particularly in the high end of the market, remains strong. Starting price for a typical, three-bedroom home off the mountain is \$1.1 million; homes on the waterfront and ski slopes are at a premium at \$2.5 million and \$3 million respectively. Entry-level homes are available for as little as \$550,000 on the outskirts of Whistler (for a two-bedroom in Pine Crest) and \$700,000 (a three-bedroom in Emerald Estates). Townhomes on the ski slopes are priced from \$2 million, while condominiums are in the \$500,000 - \$1 million range. Phase 2 condos (similar to hotel rooms) are available for as little as \$150,000. A typical one-bedroom fractional property is approximately \$120,000. The most active price ranges for buyers are \$1.2 - \$1.5 million in chalets (anything under \$1 million is considered a lot for future development) and \$380,000 - \$500,000 for entry-level condos in the Olympic Village. Supply is adequate but will quickly diminish as market activity increases in the coming months. As a result, there will be further upward pressure on prices. Pressure should ease somewhat with anticipated condo and timeshare construction this year and developments associated with the 2010 Olympics. However, as the 2010 Olympics approach, it's anticipated that fewer listings will become available as existing owners choose to hold on to their investment. Offshore buyers are a greater presence in the market than in past years and this should further stimulate the already strong sales activity for high-end properties. In particular, buyers from the UK are becoming more prominent. Currently, about 50 per cent of buyers are from the Lower Mainland, 22 per cent from Whistler, 10 per cent from the U.S. and the remaining from offshore. Experience suggests that offshore involvement will increase in the future. World travelers, often with property interests in many locations, view Whistler's recreational property as highly affordable, if not undervalued. Their increasing presence bodes well for the upper-end of the market where they already are the major players.

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## FRASER VALLEY HARRISON LAKE, CULTUS LAKE

A strong provincial economy continues to fuel demand for recreational properties in the Fraser Valley. Year-to-date sales are on par with last year while prices have experienced solid upward momentum in recent months. Limited inventory levels are prompting multiple offers on both Cultus and Harrison Lakes. As a result, the starting price of a three-bedroom, winterized recreational property on a standard-sized leasehold lot on Cultus Lake now hovers at close to \$550,000, while the same home on a freehold lot would cost approximately \$1 million. Teardowns are occurring with great frequency in the area, with million dollar estate properties replacing older tar paper cabins. Younger baby boomers are leading the charge for recreational properties on Cultus Lake, with most traveling one hour from the Lower Mainland to reach their destination. Although there are still some American buyers from the Pacific Northwest in the marketplace, their numbers have dwindled. Purchasers looking for better value are traveling an additional hour to Harrison Lake where the starting price of a three-bedroom recreational property on a standard-sized lot sits at \$275,000. The only setback on this picturesque 40-mile lake is that all recreational properties in the area can only be accessed by boat. New construction is also widespread on Harrison Lake.

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## OKANAGAN VALLEY KELOWNA

The natural beauty of Lake Okanagan continues to draw international purchasers to the Kelowna area. Despite starting prices that exceed the \$1 million dollar benchmark for a three-bedroom, year-round home on the lake, sales continue at a healthy clip. Teardown activity is commonplace, while renovation is also quite popular. Three and four thousand square foot homes are replacing older lakefront residences, with some of the newer properties valued at as much as \$5 million. A new development on Lake Okanagan just north of Kelowna that features 1,100 sq. ft. cottages on 24 ft. frontage, starting at \$850,000, has been well-received. A good selection of waterfront properties is currently available for sale. Baby boomers are the most active segment of the



market, scouting the area and buying-up waterfront property for vacations and future retirement. Ski enthusiasts are drawn to the world-class skiing at the Big White Resort. Sales are slightly below last year's levels. Thirty-eight properties, ranging in price from \$86,900 to \$895,000, have changed hands so far this year. Although demand for condominiums from American purchasers has waned in recent months, offshore buyers from Europe, Asia, Australia, and New Zealand have picked up the slack. Local purchasers are also active in the marketplace, driving demand for properties located in older buildings priced between \$150,000 - \$300,000. Inventory levels are low under the \$300,000 price point while an oversupply exists between \$400,000 and \$700,000. Many of these units will be absorbed in time. Affordability is not an issue at Big White. Smaller units, consisting of a single bedroom and bathroom in a hotel-like environment, can be purchased for as little as \$55,000.

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## PENTICTON

Low interest rates and economic prosperity are the major drivers in Penticton's thriving recreational property market. Demand remains strong in the South Okanagan, bolstered by aging baby boomers from other parts of the province and Alberta who are looking to retire in the area. Diversity is the main attraction, with condominiums and ski cabins available for sale on Apex Mountain or Mount Baldy; waterfront properties on the shores of Canada's warmest freshwater lakes, Osoyoos and Skaha; and vineyards just a short distance from major centres. The warm, hospitable climate and four-season lifestyle has also served to attract American purchasers from the northwestern states. The value of waterfront properties is not for the faint of heart though, with prices for a three-bedroom, year-round home starting at \$800,000 to \$1 million on Skaha Lake. Waterfront properties on the prestigious Okanagan Lake start even higher, at \$900,000 to \$1.2 million. Limited inventory levels are placing upward pressure on waterfront prices. Wood-frame condominiums in Penticton offer an affordable alternative to purchasers in the area, with a two-bedroom unit starting at \$175,000. Concrete and steel condominium units are more expensive, starting at \$250,000 and climbing to \$1 million for a lakefront unit. Five new condominium projects, representing a total of 400 units, are planned within two blocks of Skaha Lake.

Affordably-priced ski cabins on Apex Mountain, starting at between \$300,000 to \$350,000 and condominiums from \$200,000, are attracting young, upwardly mobile professionals with families. Prices for similar product on nearby Mount Baldy are considerably less expensive. Strong economic performance and the advent of the 2010 Winter Olympics, is expected to prop up demand and boost recreational property prices in the area in the years to come.

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## VERNON

A shortage of waterfront properties in Vernon and the surrounding area has led to softer sales figures in the first quarter of 2006. Three-bedroom, winterized properties on Kalamalka Lake and Okanagan Lake would start at \$800,000, but supply is virtually non-existent. As a result, new developments such as The Rise, The Outback, Adventure Bay, and The Strand that offer alternative lifestyles on or overlooking the water, or near a golf course are gaining in popularity with purchasers from British Columbia, Alberta, the United States, England and Australia. These developments have starting prices ranging from \$400,000 to \$600,000. Skiers are drawn to the subdivisions of Silver Star Mountain Resort, where all-season recreational amenities can be found, with condominiums and townhouses priced from \$400,000 and \$600,000. More affordable alternatives at the resort include hotel room units starting at \$100,000 and two-bedroom units starting at \$290,000. Some lower cost alternatives exist in adult gated communities and government leased land developments, which are close to lakes and golf courses. These types of properties typically start around \$250,000 and have monthly strata or lease fees of \$250 to \$300 per month. Young families and early retirees between the ages of 30 and 50 are the most prevalent in the recreational property market. Buyers in this particular market are attracted to the North Okanagan because it has the best of all worlds. Embraced by three lakes - Okanagan, Kalamalka and Swan Lake and surrounded by forested and snow-capped mountain peaks, it has beaches, world-class golf resorts, fabulous wineries and some of the best skiing and boarding in North America at Silver Star Mountain. Because there are such a variety of recreational opportunities during every season, buyers can enjoy their purchase all year round if they choose. For example, Silver Star is an active all-season resort, offering mountain



biking and hiking in the summer as well. All of this is just 30 minutes from an international airport. The four-season climate of the Okanagan is also exceptional - warm winters and sunny summers.

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## SHUSWAP LAKE

The winter months dampened demand for recreational property in the first quarter of 2006, but the market is expected to pick up with the arrival of spring. Year-to-date unit sales are down but average price is climbing as a result of low inventory levels. Due to the increased popularity of this four-season oasis, there is a shortage of virtually all properties – both waterfront and non-waterfront. The starting price of a three-bedroom, winterized recreational waterfront property with road access is about \$1,000,000 but product is scarce. Non-waterfront properties cost approximately \$200,000. A seasonal property with boat access starts at \$400,000. Baby boomers from Vancouver, Edmonton and Calgary currently dominate the marketplace, looking to secure property for future retirement. Condominiums are a growing trend in the area and both on and off water units exist, priced from \$250,000. Foreign investors have expressed serious interest in the upper-end of the market, with most seeking recreational property that can serve as businesses and residences – bed and breakfasts, gas stations and stores. However, there is little activity in the residential upper-end of the market because current residents are holding on to their properties. Shuswap residents are finding home ownership increasingly difficult to realize due to strong price appreciation in recent years.

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## INTERLAKES REGION

Demand for waterfront properties and acreage in the Interlakes Region has soared since the early 1990s. Unit sales are up approximately six per cent over last year and average price has risen just over 10 per cent to \$297,454. The starting price of a typical, three-bedroom, all-season recreational property is now \$275,000. Baby boomers are driving the market looking for waterfront properties priced from \$275,000 to \$350,000. Green, Bridge, and Sheridan lakes are most popular, and when a property is listed for sale, multiple offers generally take place. The region is in the initial stages of development. Teardowns, or existing seasonal properties, can be purchased as low as

\$130,000. Lot severance for future development is also underway. Foreign investment is occurring in the upper-end of the market (\$400,000 to \$500,000) with purchasers from Europe, Asia, Australia and the United States. Affordability is not a major problem, as the region is significantly less expensive than other recreational areas in Western Canada. Buyers who are finding home ownership too expensive on the larger and more popular lakes are purchasing on smaller lakes in the area.

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## ALBERTA CANMORE

Canmore's universal appeal as both a recreational hot spot and lifestyle destination has contributed to a record-breaking first quarter in terms of real estate activity. Sales in the area have increased substantially over one year ago as more and more housing product becomes available. Average price has followed suit, with the price of a single-family home rising seven per cent to \$555,046 and condominiums climbing 14 per cent to \$362,466. The most active price range is \$300,000 to \$500,000. Despite an influx of new listings with the completion of Phase Two of the Three Sisters Mountain Village, some price ranges are thin in inventory and more shortages are anticipated. As a result, multiple offers are expected to occur with some frequency throughout the year. Out-of-town purchasers from Calgary and Edmonton are most influential in the market as they seek out both recreational and residential properties. Americans are an ever-growing presence in Canmore, as are buyers from the United Kingdom. The starting price for a two-bedroom, 700 sq. ft. condominium now approaches \$210,000. Although international purchasers tend to have deep pockets, local buyers are finding that affordability is becoming an issue. The introduction of perpetually affordable housing in the area is expected to begin to address these issues faced by many growing mountain communities. In contrast, the upper-end of the market is experiencing tremendous growth. When compared to other international destinations, Canmore is still a bargain. To date, there has been little resistance up to the \$1.5 million price point, although time on market is considerably longer than less expensive properties. There are a number of trends developing in the marketplace, including a growing number of baby boomers looking for



retirement properties several years before they are ready to retire. Commuters are also new to the area, with many now choosing to live in Canmore but work in Calgary or Edmonton. Prices in the area are expected to continue to climb unabated thanks to strong demand and a limited footprint for development.

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## SYLVAN LAKE

"Records, like pie crusts, were made to be broken." Nowhere in Alberta is this saying more true than in the Sylvan Lake recreational property marketplace. So far this year, sales are up 30 per cent over the first quarter of 2005. This compares with a 15 per cent increase in previous years. The entry price for a three-bedroom, winterized recreational property has moved to the \$800,000 - \$850,000 range, up from \$520,000 in 2005, while a top-end lakefront property in the preferred Sylvan Lake area is in excess of \$1.5 million. Even a more modest seasonal property is \$650,000 - \$750,000, similar in price to a vacant lakefront lot, while a cottage lot is \$250,000. In essence, prime lakefront properties sell with one phone call. A lack of listings, particularly in the lower and mid-level price ranges, and burgeoning demand are expected to push prices higher and establish even loftier records in the Sylvan Lake marketplace. A key reason for the market's success is location. In addition to its scenic surroundings, Sylvan Lake is situated 100 miles from Calgary. Because of its proximity, Calgary with its oil money and young professionals with healthy bank accounts has become the major source of recreational property buyers. While Calgary buyers have traditionally looked to British Columbia for recreational properties, they are attracted by the fact that Sylvan Lake is still less expensive. Other buyers include baby boomers looking for retirement properties, Americans, Europeans and "legacy purchasers" – parents purchasing recreational properties to pass on to their children. This growing interest is a prime catalyst for rising prices. With affordability becoming an issue, many purchasers are investigating properties on back lots with lake access, and properties on Gull Lake, which are one-half the price of Sylvan Lake properties. Considering supply and demand fundamentals, the Sylvan Lake market likely will continue to set new records. For example, five new developments are now underway after a seven-year

approval process. The projects on the southeast side of Sylvan Lake and in Jarvis Bay include 50 lakefront and 100 back lot access properties.

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## MANITOBA LAKE WINNIPEG

A shortage of listings on Lake Winnipeg continues to frustrate buyers who are eager to enter the recreational property market this year. Strong demand is slowly moving prices higher, but pressure is expected to ease with a seasonal influx of new listings. Multiple offers are likely to gain momentum at this time, as purchasers vie for properties in the \$60,000 - \$70,000 range. Baby boomers and retirees from Winnipeg are a strong market presence, focusing their attention on seasonal cottages close to the lake, within a price range of \$95,000 - \$100,000. Currently, out-of-province buyers occupy only a small segment of the market. The most active range for recreational properties is \$40,000 - \$70,000. These properties are largely 50 year-old community cottages along Winnipeg Beach that, in most instances, will be renovated by the purchaser. The centre of Winnipeg Beach is the most popular location. Starting price for a typical three-bedroom winterized lakefront property is \$150,000 - \$160,000. Teardown activity is occurring, fueled by retirees from the Winnipeg area, who are converting former seasonal properties to all-season residences. Shoreline erosion on Lake Winnipeg is a factor that must be considered when building, as it has implications for any construction that occurs near the water's edge.

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## ONTARIO LAKE HURON GRAND BEND

A mild winter kick-started real estate activity on the shores of Lake Huron, with overall sales climbing 20 per cent so far this year. Drastic reductions in inventory levels across the board have created bidding wars. Entry-level properties are most sought-after -- and experiencing



unprecedented demand and nominal supply. Upscale waterfront properties, priced in excess of \$500,000, are also being snapped up by purchasers. The substantial upswing in activity is, in large part, due to an influx of purchasers from the Greater Toronto Area. Having done their homework on the internet, many are deciding that Lake Huron, just three hours from Toronto's downtown core, offers up the best value for their hard-earned dollar. Older baby boomers with their eye on retirement are busiest in the marketplace, buying up properties now for full-time use in the future. Affordability is a growing issue in the area, and as a result, many younger purchasers are looking to second row properties as an alternate. In most instances, expectations will have to be adjusted to reflect market realities. Properties priced between \$100,000 and \$150,000 are no longer available. Starting price for a three-bedroom, winterized, recreational property on a standard-sized waterfront lot now hovers at \$350,000, although listings are few and far between. Development is occurring throughout the town, with new housing construction, including a 600-lot subdivision backing onto a golf course, expected to double the size of Grand Bend. New condominium projects are also underway.

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## KINCARDINE, GODERICH, PORT ELGIN

Demand for recreational properties on the Lake Huron shoreline between Bayfield to Sauble Beach is starting to build as purchasers shift their attention from Muskoka. Year-to-date sales are ahead of last year by 15 per cent. Average prices are climbing as well. The most popular price range in the area is \$100,000 to \$150,000, which will buy a seasonal, off-water property. Starting price for a winterized, three-bedroom recreational property on Lake Huron will start at \$375,000 while a non-winterized home will cost \$225,000. The area's natural beauty and relative affordability is drawing Americans from the northern states, as well as purchasers from the Greater Toronto Area. Europeans have also emerged as a force in today's marketplace. Many purchasers are younger baby boomers, active in both the low-end and the high-end of the market. Sales in the upper-end, priced in excess of \$400,000 are brisk. Some upscale properties move faster than those in low-to-mid price ranges thanks to solid demand. A good selection of properties listed for sale is keeping sales activity healthy and prices in check. Multiple

offers are now starting to occur with some frequency, particularly on prime waterfront properties. Year-round homes on the water tend to create the most hype. Affordability is not an issue, although some purchasers still believe they will find waterfront under \$150,000.

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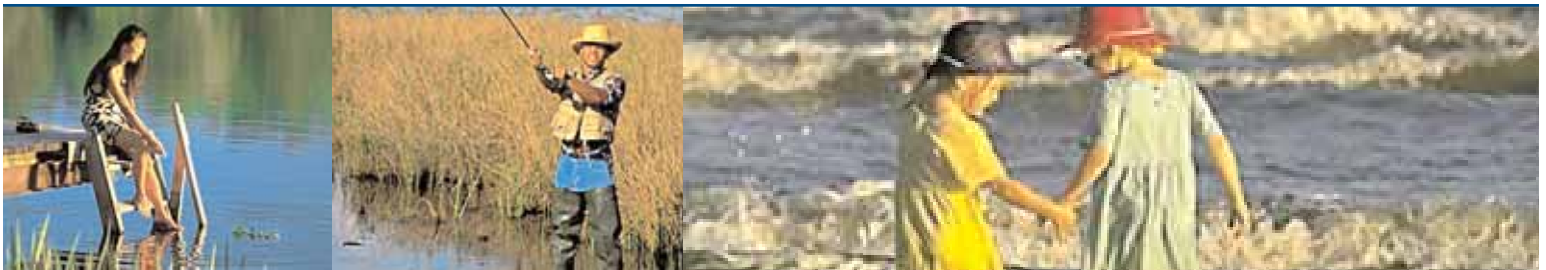
## SAUBLE BEACH, BRUCE PENINSULA, GEORGIAN BAY- WEST SIDE

A mild winter has stimulated recreational property sales so far this year in Sauble Beach and the Bruce Peninsula. Year-to-date sales are up 30 per cent over last year's levels. The starting price of a typical, three-bedroom, recreational property on the water is now \$350,000. Most active in the market are aging baby boomers from Kitchener, Guelph, Cambridge, London and Hamilton, who are looking to retire in the area. These purchasers are selling their existing homes and buying comparable properties in the \$350,000 - \$500,000 price range in Sauble Beach. Unrealistic pricing in the upper-end of the market has hampered sales activity. Inventory is low for waterfront properties but there is a plethora of off-water properties starting at \$250,000. Vacant land (non-waterfront) can be purchased for as little as \$10,000. Teardowns are occurring on leased land, with purchasers building recreational waterfront homes valued at \$250,000 plus. Affordability is an issue, especially for local buyers, due to the recent upswing in property values. As a result, many are choosing to vacation in trailer parks, campgrounds or rent off-water properties at \$1,000 per week.

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## ELLIOT LAKE

In spite of strong demand, limited inventory levels have had an impact on recreational property sales in the Elliot Lake area this year. Unit sales in the first quarter are down 30 per cent from last year. Average price, however, is up 20 to 25 per cent to about \$125,000. The most active price range for waterfront properties in the area is \$100,000 to \$125,000. Starting price for a three-bedroom, winterized recreational property on the shores of Lake Huron is \$200,000. Seasonal properties can be picked up at a fraction of the price of winterized homes, starting at \$75,000. For purchasers seeking affordable



recreational properties in Ontario, it doesn't get any cheaper than Elliot Lake. Remote lakes in the area and boat access properties are available at well-below the \$100,000 price point. Apartment condominium units that are a short distance from Elliot Lake's pristine beaches start at \$25,000 to \$35,000. Prime waterfront on Lake Huron or Lauzon tends to be more expensive, yet draws a large quantity of purchasers from Southern Ontario. Young retirees have been up to Elliot Lake, scouting properties for future retirement. A less than adequate supply of waterfront listings across the board is placing upward pressure on prices in the area. There have been a number of multiple offers, but they are the exception, rather than the rule in Elliot Lake. While teardown activity is virtually non-existent, renovation is all the rage. Many people are adding additions or gutting interiors and starting over.

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## PARRY SOUND

While sales of recreational properties in Parry Sound are on par with last year's levels, interest in ownership has waned this year. An abundance of overpriced listings, particularly in the top end, has had a negative impact on the overall marketplace. Buyer resistance to price escalation has been evident for quite some time. As a result, waterfront values are in a holding pattern this year. The most active price range in the area is \$200,000 to \$350,000. Listings under the \$200,000 price point are few and far between. Starting prices for a three-bedroom, winterized, recreational property on a standard waterfront lot on a mid-size lake hover at \$210,000. Purchasers willing to make real concessions may be able to purchase a seasonal property with no hydro or septic on one of the smaller lakes for considerably less. Teardowns are not as common as in other areas of the province. Renovation, however, is popular with today's purchasers. Aging baby boomers are behind the push for recreational properties in Parry Sound, propelled by the transfer of wealth and inheritance. The economic fundamentals are in place to ensure another good year of activity in the recreational property market. Realistic pricing will be key to recovery.

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## MUSKOKA BALA, PORT CARLING, GRAVENHURST, BRACEBRIDGE

An influx of new listings is expected to ensure another solid year of real estate activity on Muskoka Lakes. Recreational property values have leveled in the area, with no real price appreciation year-over-year on the big three -- Lakes Muskoka, Rosseau, and Joseph. Vacant lots, however, continue to experience upward pressure due to limited availability. The most active price range is between \$500,000 and \$1.5 million. The starting price for a three-bedroom, winterized recreational property on a standard-sized 100 ft. lot hovers at \$500,000 to \$550,000. Young professionals and aging baby boomers are driving demand for recreational property in the area. While most purchasers are from the Greater Toronto Area, there has been a notable increase in American and European buyers in recent months. An ample supply of properties is currently listed for sale. Well-priced properties tend to move within a relatively short period of time, while those that are overpriced will stagnate. Many vendors are testing the market. There are close to 60 recreational properties currently listed for sale over \$1 million. Last year, the big three had more than 100 listings over the \$2 million price point and the most expensive property sold for \$7 million. Retirees are returning to Muskoka, driving demand for modest back lot and residential property in Bala and Port Carling. Affordable alternatives are still obtainable in Muskoka. Island properties can be purchased for as low as \$300,000 on the big three, while three-bedroom, winterized cottages on smaller lakes in the area like Bass and Brandy Lakes continue to offer excellent value for the dollar. Purchasers are exercising caution when buying a recreational property, with many waiting six months to a year for that perfect listing to come along.

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## HUNTSVILLE/LAKE OF BAYS

A long hard winter in the Huntsville and Lake of the Bays area-- snow and ice is just starting to disappear on the lakes --- has not affected recreational property sales so far this year. Huntsville is experiencing a healthy growth spurt as buyers continue to be attracted to the area, just two hours north of Toronto. For the first three months of 2006, sales are up five-fold over the same period in 2005.



The pace of current viewing activity for upscale properties suggests that the upper end of the market is very much alive and well. A sellers market is firmly in place, such that when a well-priced recreational property comes on the market, it sells very quickly and usually with multiple offers. The average selling price is \$270,000 - \$300,000, representing a 10 per cent increase over the same timeframe in 2005. Throughout the Huntsville and Lake of the Bays area, the most active price range is \$250,000 - \$400,000. Starting prices are \$275,000 for a three-bedroom, winterized cottage and \$250,000 for a two-bedroom condominium or townhouse. Seasonal properties start at \$200,000. The most active buyers are looking at properties starting at \$300,000 that need little or no work, or a vacant waterfront lot on which they can build their dream retirement home. Larger lakes, including Lake of Bays, Pen Lake, Mary Lake, Fairy Lake and Lake Vernon, are the preferred locations. However, lower-priced properties are available on a number of mid-size lakes that offer good boating and fishing, while smaller lakes in the area and the Muskoka River offer recreational properties at even more affordable prices. Other options for price-conscious purchasers include high-rise condominiums overlooking the lakes currently under construction in Huntsville and cottages with shared-beach ownership. Bigwin Island has started marketing vacant land parcels to purchasers in the upper-end of the market who are seeking to build their dream retirement home or recreational retreat.

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## HALIBURTON

Despite adverse weather conditions during January and February, sales have rebounded in Haliburton's recreational property market. In fact, activity picked up in early March, two-weeks earlier than expected, and has continued at a healthy pace ever since. Limited inventory levels across the board are making ownership difficult to obtain, but purchasers are more than willing to compromise to realize their goal. Sales of recreational properties in the first quarter are nine per cent ahead of last year's levels. Average price has increased about three per cent year-to-date, compared to the same period in 2005. While the most active price range is \$250,000 to \$400,000, the most popular lakes in the area are Kashawigamog, Gull, Eagle, Moose, Redstone, and Drag.

The starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot now hovers at \$280,000 for a small-to-mid-sized lake. A seasonal cottage on a similar lot will cost \$190,000 - \$210,000. On the larger lakes in the area, an all-season waterfront property would typically start at \$400,000. Aging baby boomers shopping for retirement properties and younger boomers looking for starter cottages are most active in the market. Some trade-up activity is also occurring on the lakes, as existing owners move up to larger properties, cottages with more square footage, or more prestigious lakes. Teardowns have just started to occur in the area, with properties valued at as much as \$400,000 and \$500,000 demolished to make way for bigger and better year-round homes with all the bells and whistles. Demand exists in the top-end, for properties priced in excess of \$600,000, but purchasers in this particular segment of the market tend to be more selective. Most are willing to wait for the right cottage or property to come on the market.

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## BANCROFT LAKE PAUDASH, BAPTISTE

Demand for recreational properties is up in Bancroft, pushing sales ahead of last year's levels by six per cent. Average price has climbed as well, with properties under \$200,000 experiencing the greatest appreciation. Escalation of values in the upper-end of the market has leveled off over the past year. Starting price for a three-bedroom, winterized waterfront property on a standard-sized lot on Lake Paudash or Baptiste now ranges from \$185,000 to \$200,000, while a similar, non-winterized property will cost \$150,000 to \$180,000. Teardowns are a factor in the marketplace, as older cottages on the waterfront are demolished to make way for larger homes with all the latest conveniences. Young professionals from the Greater Toronto area are fueling demand for properties. The most active price range is \$150,000 to \$300,000. Higher price tags on waterfront properties have prompted some purchasers to consider back lot properties and small acreages. Alternatives to lakefront cottages also include resort-style condominium developments at a more reasonable price point. Despite the fact that some of the country's most affordable





properties can be found in the Bancroft area, buyers are finding they still have to adjust their expectations due to rising values and limited availability, especially for entry-level properties. As a result, some have had to settle for property on a particular lake system, as opposed to a desirable lake.

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## COMBERMERE LAKE KAMANISKEG

Empty nesters and retirees are a growing force in Combermere's recreational property market, fueling demand for both lakefront and back lot properties in the area. Sales of recreational properties are on par with last year's levels, but prices in the lower end of the market have started to see some upward pressure. Although the starting price for a three-bedroom, winterized waterfront property hovers at \$180,000, purchasers willing to build will find off-water lots available in Combermere for as low as \$25,000. While Lake Kamanisseg is still the preferred destination, there has been some buyer resistance to overpriced listings on the lake. Alternatives such as back lot properties have become increasingly popular as they allow younger families to gain entrance into the recreational property market. The Barry's Bay/Combermere area has just received a proposal for a large waterfront development on Bark Lake.

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## FLESHERTON

A substantial price increase for waterfront properties has stalled recreational sales in Flesherton this year. Prices on small Lake Eugenia have skyrocketed and buyer resistance is high. Purchasers seeking properties under the \$400,000 price point are hard-pressed to find available waterfront product. Demand is starting to build in the area, which may help bolster sales activity in coming weeks. Starting price for a three-bedroom, winterized recreational property on a standard-size waterfront lot now hovers at \$400,000 plus. While waterfront has been soft, the market for ski chalets in and around the Beaver Valley has been buoyant, with baby boomers and Generation X leading the charge. In the past, these purchasers have bought on the lake so that they could have access to four-season living, but that is changing. Teardown activity has tapered since

September 2005, when the municipality introduced a new zoning bylaw that restricts construction within 100 ft. of the water's edge. The setback may have had a negative impact on the waterfront market. Affordability is also an issue, but the area still offers good value for the dollar.

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## GEORGIAN BAY MIDLAND/PENETANG/ TINY TOWNSHIP/TAY TOWNSHIP

Strong demand is currently outpacing supply of recreational properties on the shores of Southern Georgian Bay. Sales activity this year has matched levels reported during the first three months of 2005, despite limited inventory levels. The number of back lot and second row properties sold has softened year-over-year, in large part due to lack of available product. An influx of listings in the coming weeks is expected to ease pressure in the marketplace. This is a diverse area where prices for waterfront properties can vary significantly. Overall, the most active price point for waterfront is between \$350,000 and \$500,000. Back lot properties tend to sell for considerably less at \$100,000 to \$250,000. Starting price for a three-bedroom, winterized recreational property on a standard-size waterfront lot now hovers at \$350,000. Multiple offers tend to occur on well-priced properties in the low to mid-end of the market. Teardown activity is substantial in the area, with 2,000 to 3,000 sq. ft. structures cropping up along the Georgian Bay shoreline. Renovations are also occurring at breakneck speed. While there is still a market for the "old cottage with the slamming screen door," most purchasers prefer homes that offer year-round living. Baby boomers – aged 40 to 60 – make up the vast majority of buyers in Southern Georgian Bay. They typically seek teardown or turnkey properties. Dated waterfront properties that are between 20 to 30 years of age are less attractive to this demographic. While most purchasers come from Southern Ontario, there are quite a few Americans that travel to the area from northern US states. The higher Canadian dollar has yet to deter these purchasers. Affordability is a growing issue and for the first time, purchasers that would normally have bought in the Southern Georgian Bay area are looking farther north, east, and west for less expensive alternatives.



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## HONEY HARBOUR/PORT SEVERN

After a sluggish first quarter, demand for recreational properties is starting to escalate as baby boomers and people from all walks of life and from all parts of Ontario make their way north to Honey Harbour, Port Severn, and South Muskoka. Sales of waterfront homes are on par with last year's levels, while values of prime properties have increased year-over-year. Average prices, on the other hand, have remained consistent over the past two years. There is a slight shortage of cottages priced between \$200,000 and \$400,000. Inventory levels are adequate in the upper-end of the market. A wide variety of properties can be found in the Honey Harbour and Port Severn area. Waterfront tends to command top dollar, ranging in price from \$350,000 to \$1,000,000 plus. The most active segment of the market is the \$350,000 to \$600,000 price category. Road access is in demand with the majority of purchasers, but those who buy boat-accessed recreational properties typically save between \$100,000 and \$150,000. The starting price of a three-bedroom, winterized recreational property on a standard-sized waterfront lot with road access is now \$400,000, although some "handyman specials" still exist in the \$200,000 to \$300,000 range. Waterfront ownership is an attainable goal in Honey Harbour for most purchasers, while affordable alternatives include non-waterfront properties with close access to water. New construction and teardown activity is expected to increase in coming years, particularly in the Port Severn area where builders have been buying up land for development. A new 18-hole golf course is slated for construction in Port Severn over the next two years, as well as adjacent new waterfront condominiums and some fractional ownership properties.

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## COLLINGWOOD

Demand for recreational properties is up considerably in the Collingwood area, with waterfront sales and average price ahead of last year's levels. Recreational properties priced up to \$400,000 move within days, while those at the top end of the market tend to linger. Upscale purchasers are selective with regard to their purchases, despite an abundance of well-priced listings on the market. The most active price range for waterfront is \$375,000 to \$750,000, but the bulk of sales occur

between \$425,000 and \$500,000. The starting price for a three-bedroom, winterized waterfront property on a standard-sized lot is \$375,000 in Collingwood east to Wasaga Beach. A similar property in Thornbury would start at \$425,000 plus. Retirees are having a substantial impact on the local market, fueling demand for waterfront properties and those further inland and close to ski hills. Two-bedroom condominiums near the slopes start at \$120,000 – while condominium product in Blue Mountain cost \$400 per square foot and up. Most of the new units on the market have been absorbed, but the supply of older condominiums is still significant. Timeshares are everywhere – even Intrawest is moving into the market. Teardowns and renovations are a factor in the marketplace. Farmland is starting to gain in popularity, as affordability concerns rise. Some recreational purchasers are buying 40-acre properties with old farmhouses and renovating while others are opting for a house in the town, priced at \$275,000.

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## WASAGA BEACH

Unusually warm weather in the latter half of March kick-started Wasaga Beach's recreational property market. Starting price for a three bedroom, winterized recreational property on a standard-sized Georgian Bay beachfront lot is approximately \$550,000 while a similar property on the Nottawasaga River can be bought from \$300,000 and up. Beachfront cottages don't come on the market as often as they tend to stay in the same family for more than one generation to enjoy. Off water properties that are walking distance to the beach can be bought from \$160,000 and up, while the most popular price range is \$200,000 - \$300,000. Recreational ownership is attainable for most in the area but some sweat equity may be required to be close to the water in the lower price range. Retirees are one of the most active in the market and tend to buy in newer subdivisions between \$220,000 and \$280,000. Inventory levels are adequate. Strong demand for vacant residential building lots, have created multiple offers as they become available. A trend that has been emerging for a few years now is the influx of purchasers from the Greater Toronto Area who are "cashing out" and buying similar properties at substantially lower prices.



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## ORILLIA, LAKE COUCHICHING

Low interest rates and an overall healthy economy continue to fuel local demand for recreational properties in Orillia and the surrounding area. While sales are on par with last year's levels, average price has increased approximately six per cent in 2006, compared to figures reported in 2005. A shortage of available product on desirable Lake Couchiching and Eight Mile Point at the top end of Lake Simcoe has buyers scrambling for property. The starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot now hovers at \$375,000 to \$400,000. Non-winterized or seasonal properties are priced from \$350,000. More affordable options exist for more price-conscious purchasers including seasonal properties on the Severn, Black, and Green Rivers and smaller lakes such as Dalrymple and St. John. Condominium sales have been gaining momentum in Orillia, sparked by a growing retiree community. The price of a two-bedroom waterfront condominium sits at \$300,000 and offers all the amenities of home. Low-rise Elgin Bay, Panoramic Point and Orchard Pointe are just a few of the popular condominium complexes. As in years past, the trend to convert lakefront cottages to year-round dwellings continues unabated. Renovation is also occurring with great frequency.

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## LAKE SIMCOE BEAVERTON

Renewed interest in recreational properties in Beaverton is reviving the waterfront market on the western shore of Lake Simcoe and nearby Canal Lake. Demand is just beginning to climb after an extended period of inactivity. More balanced market conditions exist, with both vendors and purchasers exhibiting more flexibility when it comes to negotiation. Sales are up over last year's levels by 50 per cent. The starting price for a three-bedroom, winterized recreational property on a standard-sized lot on Lake Simcoe hovers at \$350,000 while a similar property on a smaller lake can cost substantially less. The most active price range is \$150,000 to \$300,000. A good supply of properties exists in virtually all price ranges. Teardowns are occurring in the area.

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## INNISFIL TO ORO

While concerns over the proposed Big Bay Point development has hampered sales of recreational properties in Innisfil, demand for waterfront has been strong in Barrie and Oro in 2006. The number of properties sold on the western shore of Lake Simcoe is similar to last year, but inventory levels are tight. There are 17 waterfront properties currently listed for sale in Oro, four in Barrie, and 19 in Innisfil. Average price has climbed, thanks to upward momentum for properties with water frontage in excess of 100 ft. Starting price for a three-bedroom, winterized recreational property on a 50 ft. waterfront lot has virtually stalled at \$360,000, up marginally from last year. Affluent purchasers between the ages of 30 to 40 are behind the push for upscale waterfront properties. Sales over the \$1 million price point are not uncommon. Buyers in the area are willing to spend whatever necessary for the "perfect" property. Despite the upswing in values in recent years, prices for cottages on smaller lots have yet to hit 1989 levels.

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## KAWARTHAS EAST KAWARTHAS

Adverse weather conditions in the early part of the year had a negative impact on recreational property sales in the East Kawarthas. With spring in bloom, however, purchasing activity is on the upswing. Buyer interest in the region is largely due to some of the most affordable waterfront in the province. Starting price for a three-bedroom, winterized recreational property on a standard-sized waterfront lot is approximately \$300,000, while a seasonable property is available from \$250,000. The overall average price for all recreational properties is down marginally from 2005 levels. Lack of inventory has resulted in fewer sales in the popular \$250,000 - \$350,000 price range. Buyers realize they may have to adjust their expectations to realize ownership in 2006. A variety of alternatives are available, including teardowns, extensive renovations, condominiums and fractional ownership. More affordable options are also available, such as back lot properties with deeded access, and First Nations and Parks Canada leased land on the Trent Canal. Demand remains strong for prime waterfront properties, particularly on the Trent-Severn Waterway and



area lakes, including Buckhorn, Stoney, Chemong, Pigeon and Clear. A growing number of sales over \$500,000 have taken place on Stoney, Clear and Upper Pigeon Lake near Bobcageon. Some multiple offers have occurred. A small number of waterfront lots have been severed from larger parcels of waterfront acreages previously held by foreign investors. These prime one to five-acre lots with 200 ft. frontages are priced in the \$300,000 - \$400,000 range.

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## WEST KAWARTHAS

Baby boomers have played a major role in fueling demand for waterfront properties in West Kawarthas so far this year. Older boomers are looking for future retirement properties while younger boomers are looking for properties that will bring a healthy balance to their hectic, fast-paced lives. While sales have softened somewhat from last year's levels, average price has climbed a modest five per cent to about \$250,000. A good selection of properties is available for sale on prime lakes in the area, including Balsam, Sturgeon, and Cameron. Starting price for a three-bedroom, winterized recreational property on a standard-size waterfront lot now sits at \$325,000. Seasonal properties offer a small price break, with listings starting at \$275,000. Land-locked lakes such as Four Mile, Head, and Crystal tend to offer purchasers better bang for their buck. Some interest has been expressed in bush properties in recent months, although it's still too early to tell if this is an emerging trend. The most active segment of the market is priced between \$250,000 and \$500,000. Renovations are occurring with some frequency in the area, with vendors refurbishing their properties before they list for sale. These "quality listings" allow sellers to realize a greater return on their investment. As a result, fewer and fewer properties are now available below the \$150,000 price point and so-called "handyman's specials" and teardowns are extremely difficult to find. Although prices are creeping up, some of the most affordable recreational properties can be found in the West Kawarthas, making it a popular destination for purchasers from Southern Ontario.

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## EASTERN ONTARIO PRINCE EDWARD COUNTY

Limited inventory levels have translated into softer recreational property sales in Prince Edward County in 2006. In recent years, average price has appreciated almost 30 per cent –but values are now starting to plateau. A typical, three-bedroom, winterized property on a standard-sized lot starts at \$225,000. To realize ownership, some people are purchasing non-waterfront properties priced at \$50,000 to \$100,000 less. In spite of tight conditions, demand for waterfront properties on Lake Ontario and Bay of Quinte continues to be strong. Purchasers from the Greater Toronto Area between the ages of 35 to 55, looking for all-season properties priced from \$225,000 to \$300,000, are competing with current and former residents. Vacant properties are also popular, with purchasers looking to build their dream cottage or residence. Multiple offers tend to occur on well-priced properties in the low to mid-end of the market. The upper-end of the market is strong with most properties in and around the \$800,000 range. There are four listings over \$1 million. Condominium developments have been approved, although construction has yet to take place. Each year, the popularity of Prince Edward County increases due to positive press coverage. The area has been named one of Ontario's "best kept secrets" for its vineyards, antiques, and provincial park.

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## KINGSTON

Affordable recreational properties are drawing more and more purchasers from Ottawa, Toronto, and the northern U.S. states to Kingston. Waterfront at "bargain" prices are prompting purchasers to take notice. Boating enthusiasts are attracted to Lake Ontario while back lakes such as Dog, Bob, Buck, Devil, and Loughbrough appeal to baby boomers en masse. Realtors in the area are now compiling lists of interested buyers who are just waiting for the right property. Sales of waterfront homes are on par with last year and prices have seen modest upward pressure in 2006. There is buyer resistance to recent price appreciation as vendors who test the market quickly discover. The most active price range is \$200,000 to \$350,000. The starting price for a three-bedroom, winterized recreational property on a standard-sized



waterfront lot on the back lakes now sits at \$280,000. Lakefront lots can be purchased for \$170,000. Recreational properties on Lake Ontario will typically command higher prices. Fewer lakeside developments are underway this year as a result of stringent regulations with regards to setbacks. Small additions, new decks, and bunkies just about sum up the extent of renovation in the marketplace. The trend toward year-round living has seen a drastic reduction in the number of seasonal properties on the market. These properties are snapped up as soon as they become available. Purchasers in the area may find that they have to adjust their expectations somewhat to realize ownership, but the area still offers an abundance of affordable product.

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## GANANOQUE

After reporting a stellar year in recreational property sales in 2005, activity has tapered in Gananoque. Year-to-date sales are approximately 10 per cent off last year's levels and average price is holding steady. Inventory levels are adequate. A good selection of waterfront properties can be found on the St. Lawrence River, Charleston Lake, and the Rideau System. Vacant waterfront lots are the exception; with so little product available, these properties tend to sell as quickly as they are listed. So far this year, demand for recreational properties has been greatest in the \$300,000 to \$400,000 price range. Properties in the Gananoque area run the gamut, rising as high as \$2.8 million. The top end of the market is quite steady as affluent purchasers from the United States and the Greater Toronto Area fuel recreational property sales. Approximately 50 per cent of all purchasers in the area come from the U.S. while the remaining 50 per cent is equally divided between the Greater Toronto Area and Ottawa. Starting prices for a three-bedroom, winterized recreational property on a standard-sized lot on the St. Lawrence are \$400,000 to \$500,000. A similar property with boat access can be purchased for \$300,000 to \$400,000. On Charleston Lake, a three-bedroom, winterized cottage will start at \$250,000, while the same property on the back lakes, or the Rideau, will cost \$150,000 - \$160,000. Affordability is an issue in the Gananoque area, particularly for local purchasers who have found that waterfront values have surged in recent years.

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## LAKE NIPPISING NORTH BAY

Serious movement north from the Muskoka area has bolstered recreational property sales on the shores of Lake Temagami, Lake Nippising, and the French River this year. Just over an hour north of Huntsville, North Bay offers the peace and solitude long missing from the larger lakes in Muskoka. The lifestyle appeals to many who have watched Muskoka's rise in popularity with trepidation. However, a shortage of available product has held sales in check. Limited inventory levels exist across the board, placing some upward pressure on waterfront values. Prices for a three-bedroom, winterized recreational property on a standard-sized waterfront lot start at \$250,000 to \$300,000. Vacant lots will run at \$150,000. The most popular price range by far is \$150,000 - \$300,000. Teardown activity prevalent throughout the province is less evident in North Bay. On the other hand, renovation activity is on the upswing. North Bay has also seen increased interest from buyers in Southwestern Ontario, as well as foreign investors from as far away as Germany. Waterfront values are not rock bottom in North Bay, but the market offers year-round properties at reasonable prices to most purchasers. Smaller lakes in the area also offer waterfront property at more affordable prices.

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## NEW BRUNSWICK GREATER MONCTON AREA

The market for waterfront or waterview recreational properties in the Greater Moncton Area is buoyant, with sales 100 per cent ahead of last year's levels. On average, prices have increased by 10 per cent although price gains for prime waterfront properties are in the 50 per cent range and higher. One waterfront property recently sold in excess of \$600,000. Significant foreign investment is fueling much of this activity. Canadians, from large Metropolitan areas, Americans and Europeans, particularly British, Irish and Dutch, are attracted by the area's reasonably priced land. Their preference is for waterfront properties, at least three acres in size with



the scenic attractiveness of properties along the Northumberland Strait and Bay of Fundy. Baby boomers and empty nesters are also active in the market, seeking close proximity to Moncton and Halifax. Overall, the most active price range in Greater Moncton is \$100,000 - \$150,000. While the starting price of a typical two or three bedroom winterized recreational property on a standard-sized waterfront/waterview lot is in the \$75,000 - \$100,000 range, seasonable properties on a same-sized lot without waterfront or waterview can be purchased for as low as \$15,000. To a limited extent, teardowns and renovation are occurring in the Shediac area. The replacement homes are in the 1,500 - 2,000 sq. ft. range.

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## PRINCE EDWARD ISLAND SOUTH SHORE, NORTH SHORE

Limited supply and the increasing presence of non-resident buyers, particularly Canadian, American and European retirees, are placing upward pressure on recreational property values along Prince Edward Island's south and north shores. Year-over-year, prices have increased by approximately 10 per cent. The most active price range is \$130,000 - \$200,000, which will buy a three-bedroom winterized recreational property on a standard-sized oceanfront lot. Seasonal properties on similar lots will cost \$100,000 - \$150,000. Areas most popular with buyers include the North Shore Crowbush Golf Course, Cavendish Golf Course and Stanley River. A new cottage subdivision initiated in the north shore Crowbush Golf Course area is an attempt to capitalize of the growing attractiveness of this location to recreational property purchasers. Higher-end oceanfront properties, from \$150,000 - \$250,000 are being pursued by non-residents, particularly Canadians and Americans. The upper-end of the market has yet to see buyer resistance. In 2005, for example, an upscale oceanfront property set a new record by achieving a \$1 million sale price. The impact of rising prices and a growing shortage of properties is encouraging some buyers to consider less expensive riverfront properties in such areas as West River and Rice Point. Another more affordable option for purchasers are lots a short distance from the water, but still offering a water view.

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## SUMMERSIDE

While the recreational property market is off to a slow start in Summerside, the fundamentals are in place for a good season in 2006. Price increases have been moderate and product is available. As in past years, most purchasers are off-island retirees, mostly from other provinces, who are seeking that perfect oceanfront dream home. Included in the group are former Island residents who had previously worked at the Sleman Park Airport base. Also active in the market are Americans and Europeans, particularly from Holland. The most active price range for retirement properties is \$75,000 - \$100,000. The starting price for a three-bedroom winterized recreational waterfront property is \$140,000 - \$175,000. Seasonal properties are available in the \$75,000 price range in locations such as Cascumpec River and Mill River. Prime waterfront properties in the \$100,000 - \$400,000 range attract the greatest buyer interest. Catering to the high end of the market is a new cottage development underway by the Oran Group from Ireland. Located on 14 acres of shorefront near Summerside, it offers cottages on one-half to two-acre lots, for between \$300,000 to \$400,000. Completion is scheduled for the summer of 2006. Luxury cottage rentals around the New London area and Cousins Shore are available for the sum of \$8,000 per week. Despite these upscale projects, sales of high-end properties above \$450,000 continue to be slow. Summerside also offers more affordable options for recreational purchasers such as second and third row cottages, 130 - 300 feet back from the water, in locations such as Fernwood Chalets and Shelton Beach. Another alternative are cottages in Cable Head, a short distance from the Crowbush Golf Course, that recognize that golfers come for the golf, not for the water.



## NEWFOUNDLAND EAST COAST, CENTRAL AND WESTERN NEWFOUNDLAND

With some of the lowest-priced recreational property in Canada, Newfoundland is attracting a growing number of buyers from out-of province and the United States. A rustic, two-bedroom, winterized cabin on the waterfront on the east coast can be purchased for as low as \$34,000, while a non-winterized property on the southern shore of the Avalon Peninsula off the beaten path without views is available from as low as \$14,000. Waterfront properties on the coast and in choice locations such as Ocean Pond and Thorburn Lake are preferred and move quickly when they come on the market. However, more and more purchasers are looking in Central Newfoundland's northeast coast for affordable properties featuring ocean views. Areas such as Twillingate and Lewisporte are popular with out-of-town buyers. There are plenty of properties for sale, but if purchasers cannot find what they want, they will build. Land is plentiful and government grants are available on a lottery basis. While a winterized cabin can be purchased on the Avalon Peninsula on the East Coast for \$50,000 - \$70,000 on the low side, there are properties selling for as high as \$150,000 in popular recreational lakes and ponds just one hour's drive outside of the capital, St. John's. There are also a growing number of upscale developments catering to affluent buyers on the west coast of the island. Exclusive resorts such as Humber Valley Resort and Pynns Brook just outside Corner Brook have condo housing developments offering condos and chalets starting at \$350,000 and climbing to \$1 million plus. This area's more favorable climate, excellent skiing, golfing, hiking and year round access attract buyers and foreign investors from Ireland, England, Germany and Norway. Popular lakes and rivers, near which many buyers choose to locate, include Deer Lake, Humber Valley, Humber River, Exploits River, Gander River and Gander Lake. Americans, who were passengers on planes diverted to Gander during the 9/11 attacks, and who developed strong ties to the province and its citizens, are also among the foreign investors throughout the province.

## NOVA SCOTIA SOUTH SHORE / LUNENBURG COUNTY

Demand for recreational properties on freshwater lakes in Nova Scotia is up substantially in the first quarter of the year, compared to one year ago. Unit sales have increased just over 12 per cent and dollar volume has climbed 24 per cent year-to-date. The starting price of a typical, three-bedroom, winterized recreational property on a waterfront lot is \$150,000, while more seasonal properties start at \$70,000. Winterized recreational properties with a basement are most coveted and sell from \$150,000 to \$200,000. Aging baby boomers are purchasing retirement properties on the shoreline of the many lakes within 30 minutes of town. The supply of entry-level recreational properties listed for sale in the \$70,000 - \$150,000 price range is low. Sales of oceanfront properties have softened over the past year, in large part due to higher prices. Although purchasers are interested in the condominium lifestyle, developers are reluctant to build in the area due to the high cost of construction. Foreign investment is occurring in the area, as British buyers seek properties priced at \$175,000 and up. Overall, the recreational market is brisk, with the exception of the upper-end - priced between \$250,000 to \$450,000. Well-priced properties tend to sell quickly and usually have multiple offers.

# STARTING PRICES FOR RECREATIONAL PROPERTIES\*

MARKET	2000	2001	2002	2003	2004	2005	2006
<b>NEWFOUNDLAND</b>							
Coast**	N/A	N/A	N/A	N/A	\$69,000	\$49,000	\$50,000 - \$70,000
<b>NEW BRUNSWICK</b>							
Greater Moncton****	N/A	\$125,000	\$150,000	\$150,000 - \$155,000	\$225,000 - \$300,000	\$100,000 - \$150,000	\$75,000 - \$100,000
<b>PRINCE EDWARD ISLAND</b>							
South Shore, North Shore**	\$100,000	\$60,000 - \$70,000	\$60,000 - \$70,000	\$80,000 - \$150,000	\$200,000	\$100,000	\$130,000 - \$200,000
Summerside **	N/A	N/A	N/A	N/A	\$125,000+	\$118,000	\$140,000 - \$175,000
<b>NOVA SCOTIA</b>							
South Shore, Lunenburg County	\$160,000	\$120,000	\$130,000 - \$150,000	\$175,000 - \$250,000	\$175,000 - \$250,000	\$135,000	\$150,000
<b>ONTARIO</b>							
<b>Lake Huron:</b> Grand Bend	N/A	\$200,000	\$250,000	\$270,000	\$350,000	\$325,000 - \$350,000	\$350,000
Sauble Beach, Bruce Peninsula	N/A	\$150,000	\$175,000	\$225,000	\$250,000	\$350,000	\$350,000
Port Elgin, Kincardine, Goderich	N/A	N/A	N/A	N/A	N/A	\$300,000 - \$350,000	\$375,000
Parry Sound	\$100,000	\$150,000	\$130,000	\$140,000	\$150,000 - \$160,000	\$200,000	\$210,000
Elliot Lake	N/A	N/A	N/A	N/A	\$150,000	\$155,000	\$200,000
<b>Muskoka:</b> Port Carling, Bala, Bracebridge, Gravenhurst	\$200,000 - \$250,000	\$360,00 - \$375,000	\$450,000	\$450,000	\$500,000 - \$550,000	\$450,000+	\$500,000 - \$550,000
Huntsville, Lake of Bays	N/A	\$200,000	\$200,000	\$200,000 - \$400,000	\$250,000 - \$400,000	\$300,000 - \$400,000	\$350,000
Haliburton	\$125,000	\$125,000	\$150,000 - \$200,000	\$160,000 - \$200,000	\$200,000	\$280,000	\$280,000
Bancroft	N/A	N/A	\$130,000	\$150,000 - \$200,000	\$220,000	\$250,000	\$185,000 - \$200,000
Combermere	N/A	N/A	N/A	N/A	N/A	N/A	\$180,000
Flesherton	N/A	N/A	\$150,000	\$180,000 - \$190,000	\$250,000	\$300,000 +	\$400,000
<b>Georgian Bay:</b> Midland	\$175,000	\$200,000- \$300,000	\$225,000	\$275,000 - \$300,000	\$275,000 - \$300,000	\$350,000	\$350,000
Honey Harbour, Port Severn	\$175,000	\$250,000- \$300,000	\$250,000	\$300,000 - \$350,000	\$300,000	\$300,000 - \$400,000	\$400,000
Collingwood	\$140,000- \$160,000	\$250,000	\$385,000	\$385,000	\$400,000 +	\$350,000 - \$400,000	\$375,000
Wasaga Beach	\$250,000	\$285,000	\$320,000	\$350,000	\$500,000	\$550,000	\$550,000
Orillia, Lake Couchiching	\$125,000	\$200,000- \$225,000	\$225,000	\$275,000	\$300,000	\$290,000	\$375,000
<b>Lake Simcoe:</b> Innisfil to Oro	\$110,000- \$115,000	\$290,000 - \$310,000	\$290,000 - \$320,000	\$320,000 - \$340,000	\$390,000 - \$450,000	\$340,000	\$360,000
Beaverton	N/A	\$200,000	\$225,000	\$250,000 - \$300,000	\$300,000	\$200,000 - \$320,000	\$350,000
<b>Kawarthas:</b> East Kawarthas	N/A	N/A	N/A	N/A	N/A	\$250,000	\$300,000
West Kawarthas	\$140,000- \$160,000	\$200,000- \$250,000	\$250,000 - \$300,000	\$250,000 - \$300,000	\$220,000	\$275,000	\$325,000
<b>Eastern Ontario:</b>							
Prince Edward County	N/A	N/A	N/A	N/A	\$200,000	\$200,000	\$225,000
Kingston	\$80,000	\$89,000	\$100,000	\$130,000	\$140,000	\$190,000	\$280,000
St. Lawrence: Gananoque	N/A	N/A	N/A	N/A	N/A	N/A	\$400,000
Charleston Lake	N/A	N/A	N/A	N/A	N/A	N/A	\$250,000
<b>Lake Nipissing:</b> North Bay	N/A	N/A	N/A	N/A	N/A	N/A	\$250,000 - \$300,000
<b>MANITOBA</b>							
Lake Winnipeg****	N/A	\$200,000	\$125,000	\$170,000	\$300,000 - \$400,000	\$250,000	\$150,000 - \$160,000
<b>ALBERTA</b>							
Sylvan Lake	\$100,000- \$150,000	\$350,000	\$400,000	\$400,000	\$430,000	\$520,000	\$800,000 - \$850,000
Canmore***	N/A	N/A	N/A	N/A	N/A	\$200,000	\$210,000
<b>BRITISH COLUMBIA</b>							
Salt Spring Island**	N/A	N/A	\$600,000 - \$700,000	\$1,000,000	\$700,000 - \$1,000,000	\$1,000,000+	\$1,000,000+
<b>Okanagan Valley-</b> Kelowna	\$140,000	\$180,000	\$350,000	\$350,000	\$350,000	N/A	\$1,000,000+
Vernon	n/a	n/a	na/	n/a	\$550,000+	\$800,000	\$800,000
Penticton	N/A	N/A	N/A	N/A	\$500,000+	\$700,000	\$800,000 - \$1,000,000
Shuswap Lake	N/A	N/A	\$250,000	\$250,000	\$450,000	\$200,000	\$1,000,000
<b>Fraser Valley -</b> Harrison Lake	N/A	N/A	N/A	N/A	\$350,000	\$425,000	\$550,000
<b>Cariboo -</b> Interlakes Area	N/A	N/A	N/A	N/A	\$180,000	\$200,000	\$275,000
Whistler	N/A	\$300,000	\$650,000	\$750,000	N/A	\$1,100,000 +	\$1,100,000+

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

\*\*Oceanfront Property \*\*\*Two-bedroom, 700 sq. ft. condominium \*\*\*\* Area expanded