

REAL ESTATE

Recreational property values rebound

Decline in U.S. buyers pushed prices down, but now Canadian buyers are stepping up

BRUCE CONSTANTINEAU

VANCOUVER SUN

B.C. recreational property prices held steady or rose slightly in most provincial markets the past year — with falling values in Tofino, Saltspring Island and Harrison Lake the exception, according to a Re/Max report released Tuesday.

Re/Max representative Elton Ash said the market for B.C. recreational properties is slowly improving but property values in many markets remain below the peaks set in recent years.

The report said the starting price for a south Okanagan property rose from \$610,000 to \$649,000 in the past year but remains well below the \$800,000 starting price that existed in 2011.

(Re/Max says its starting price is the value of a three-bedroom property on a “standard-sized waterfront lot.”)

The report said the starting price for a

Tofino property fell by about three per cent in the past year to \$769,000, while the starting price on Saltspring Island declined by six per cent to \$559,000. The price in Harrison Lake fell 21 per cent from \$365,000 to \$289,000.

Ash said a decline in U.S. buyers has reduced the demand for properties in markets such as Whistler, Tofino and Saltspring Island and falling prices have attracted more Canadian buyers.

“Price depreciation has brought B.C. rec properties back into range for more people, especially Canadians,” he said. “Canadians were buying heavily in the U.S. market but a lot of those bargains are gone. Arizona prices have risen by 20 per cent.”

Ash said property values in B.C. mountain resorts, in particular, were negatively affected by the 2008 global financial crisis that drove many U.S. buyers out of the Canadian market.

The report said the starting price of a Whistler property held steady in the



Recreational property sales volumes in Whistler in the first quarter were the highest since 2008, but prices remain flat.

past year at \$700,000, but remains 12 per cent below the \$799,000 price achieved in 2010.

Re/Max said Whistler condo prices have fallen 12 per cent in the past year,

largely due to the reduced values of “phase two” units that are purchased by single owners but must be rented out most of the year.

Some of those units aren’t achieving

the rental income that owners wanted so they have been listed for sale. In some cases, condos that sold for more than \$550,000 a few years ago have been priced to sell at \$300,000.

The Re/Max report said the total value of Whistler recreational property sales in the first quarter this year was \$109.2 million — the strongest first-quarter sales volume since 2008, when \$145.2 million worth of properties was sold. The actual number of sales during the quarter fell to 132 from 139 a year ago.

The report said prices were down or unchanged in 77 per cent of the Canadian markets surveyed and baby boomers are the most active buyers, particularly in properties priced between \$250,000 and \$500,000.

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