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A recovery in the secondary home/recreational market seems to be underway...signs of slow sales volume momentum are globally visible. It has been a long five to six years of buyer inaction in all discretionary regions.

The second home/resort-based areas, globally, suffered hugely after the 2008 economic collapses. No one "has to" buy a vacation home or retire to a second home...it's always a "by choice" decision.

Buyers decide outcomes in secondary home markets, & the decision to purchase a recreational or retirement property depends on consumer confidence.

Salt Spring Island, the Gulf Islands, & tourism driven communities on Vancouver Island all experienced a significant downturn between late 2008 & mid 2013. Some appraisers & realtors noted a slowdown in activity as early as 2006. The consistent loss in value was felt world-wide in such marketplaces over the past five years.

Values on the Gulf Islands & on Vancouver Island reportedly dropped between 29% & 45%, depending on location & type of property. In Spain & Portugal, it was reported that recreational properties dropped in value by as much as 70%.

Realty companies/realtors kept reducing prices, in a search for "the bottom". This price cutting does not work in a recreational region...if a buyer does not want to buy, then nothing will happen.

Fear has various faces. After little action in 2009 & 2010, there was a flurry of specific activity in 2011. Rental properties began to find buyers...these were not end-users. Family homes, older dwellings, excellent rentals, found investor-buyers. The action was only in the entry level residential category. Was this a move into real estate out of concern that the stock

market was too volatile & interest rates too suppressed by banks? Investors were the main movers of sales action from early 2011 to mid 2012.

In 2012, it remained softly active in the same entry level residential segment, but end-users began to reappear. Also, as sales consistently occurred (without many properties coming onstream to replace the slow "solds"), the price ceiling of entry level began to rise.

In 2011, most sales were below 400,000. By 2013, the bulk of sales were below 800,000.

Each year, there were random & scant sales between one & two million...mainly residential oceanfront. In most cases, they had severely reduced in price before selling. Undeveloped land opportunities & commercial/business options remained flat throughout.

January & February usually continue the November/December pattern of the previous year...2014 has been no exception.

Our market region has become ever more seasonal...the grid of sales activity now falls between March Break & the Canadian Thanksgiving (early October). The busiest months within this timeline might be May, July, August, September.

We are just beginning the 2014 rhythm, then, at this beginning of March moment. It's still an optimum time to be a buyer...call me, & find out why.

Projections are calling for renewed interest in undeveloped land...either as a holding property or as a building opportunity. I have always seen land sales as a marker of a buoyant market. Sales of raw land are a strong signal of recovery.

It also is being projected that 2014 is the time of a resurgence in action in the upper tier priced residential properties. The affluent global investor is looking for special properties in special places...with a safe haven aspect to the region. Perhaps a concern over currency instability is driving this higher end property segment...a safe haven seeking, both personally and as a preservation of capital move, can be a strong motivator to real estate activity in the luxury property market. Inquiries on properties between two & five million are occurring.

Tourism, in the secondary home/recreational regions, does encourage real estate sales. People visit, fall in love with an area, buy a home or a lot, & suddenly all other businesses thrive...designers, contractors, restaurants, soft furnishing providers, etc etc etc...it's like a train, & it starts with tourism & real estate sales.

Slowly, tourism is recovering on Salt Spring, on the Gulf Islands, & on Vancouver Island. All good news, then.

A concern over B.C. Ferries, & its decision to cut costs by cutting service/raising fares on smaller coastal routes, is being fought by affected communities. These route cuts/fare hikes might hamper tourism. If you're an islander, get in touch with your Chamber of Commerce, & be involved in this important matter.

So, with the spyglass of projection up to the eye, at the beginning of March, it does appear that sales will be consistent in the secondary home markets. It may be that sales volume will rise, but prices remain stable. Inventory in all property segments will have to clear out

before prices rise. The close of 2014 should show strong signs of a recovered discretionary marketplace.

Looking for specific sales information for Salt Spring & the Gulf Islands? Vancouver Island recreational communities? Call me! In a transition period, it's important to keep up to date. No rear view mirror thinking!

Looking for a Salt Spring Island or Gulf Island property? Call me! I look forward to bringing my knowledge (of inventory & of trends) to your benefit. My motivation is your successful outcome.

Call me for full information on all listed properties & all "solds" statistics...regardless of real estate board involved. Salt Spring & the Gulf Islands are in a "grey area", which means three boards overlap...I offer full information regardless of which board a particular realtor chooses to affiliate with. I have access to all boards. Don't miss out...call me! You will discover the entire listing inventory with me.

Residential, farms, vineyards, building lots/acreages, estates, private islands, commercial/investment, oceanfront, lakefront, recreational...it's all here, in all price ranges, & I look forward to introducing the island & all its fine properties to you.

How may I help you to discover & to buy your Salt Spring Island or Gulf Islands dream? Look forward to your call!

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