

Copyright, Li Read, 2013

August, 2013.

An improving real estate sales trend continues to slowly build into place, on Salt Spring & the Southern Gulf Islands. The same improvement in sales is occurring on Vancouver Island...it's a secondary home marketplace uptick, then. Prices still remain volatile.

Word from south of the border is that all those hard hit areas (Florida, Arizona, California, etc) have been experiencing a significant uptick in both sales volume and in price points. Inventory levels have been reducing. This encouraging stats report from the U.S. is now encompassing the secondary home/discretionary markets (Vail, Aspen, Tahoe, et al), not just primary residence areas.

Very recently, the upper tier priced properties in the recreational marketplaces, also in the U.S., have been finding significant buyers/sale pricings. This secondary home recovery is good news for all "by choice" destination locations, and that would include the Gulf Islands.

It's important to pay attention to this significant improvement in sales activity for our near neighbour...Canada does track events and outcomes in the U.S. It's about general consumer confidence.

In our post-Internet world, real estate is less regional in outcomes, particularly in the secondary home/recreational markets. The buyer profile in any discretionary marketplace tends not to be "local".

The Internet has opened up the world as a potential buyer for any recreational based region, but it has also created a "pause" while that global buyer searches out all possible areas. No one wants to make a mistake...thus, the buyer takes time, searches out various locales, often returns two or three times to the places that caught attention...& then may finally "act". Time truly is a component in all sales, then, in discretionary markets, regardless of market trend in play.

The Pacific Northwest Coast tends to be a tail of the dog location. Last up/last down/last back up...the uptick momentum is just now being felt.

At this midpoint in the year, it's good to take a snapshot of outcomes.

On Salt Spring & the Southern Gulf Islands, this is also the beginning of what has evolved into our main sales window. Our market has truncated down to a mid-July to

mid-November window...a late Summer/Fall market, then. Surprisingly, the Spring months are no longer as busy as in previous times. Perhaps the travel patterns of our tourist visitors have changed?

Tourism, in all recreational locations, drives other business outcomes. Someone visits Salt Spring or Galiano or Mayne, falls in love with that Island, then decides to call a realtor and to buy a property...then architects, contractors, excavator operators, septic installers, electricians, plumbers all get busy, too. Plus landscapers, gardeners, cleaners, soft furnishings providers, and so on. Resorts, B&Bs, hotel, motel, restaurants, retail stores...they are busy with tourist arrivals and also with residents and guests.

A recreational/retirement region depends on that tourism buoyancy to experience real estate volumes and then other ensuing business activity.

The past 5 to 6 years globally have been about economic suppression, and discretionary locations around the world saw plunging real estate values and business closures. No one "has to" buy a second or retirement or recreational property. An economic suppression means a real estate downturn, in secondary home environments.

So what might be driving this renewed interest in discretionary markets? Is it a safe haven investment move? A seeking to preserve capital? Perhaps....

Markets rise & fall...like waves on the ocean. In 2006 we began to fall down into the trough of a downturn...which became hugely evident in late 2008. Now we seem to be climbing up the other side of that wall of water. A recovery is not a straight line up...more like ladders between flat benchland. Up/flat/up/flat...takes time, then, for all property types and all price points, to see consistent uptick.

The good news: things are improving. The difficult news? It's not a fast-track uptick. It may take until early spring 2014 to see consistent uptrend in the secondary home marketplace, and it may take until summer/fall of 2014 to see uptick in undeveloped land, commercial, and upper tier priced residential sales.

We are so lucky to be owners on Salt Spring Island or on another Southern Gulf Island. Buyers seeking what we own will also be very lucky.

This is a gem of a place to reside or recreate...more info? Call me!

How may I help you to find and to buy your dream Gulf Island/Salt Spring Island property?

Tel: 1-250-537-7647

E-Mail: liread33@gmail.com