

CANADIANS STILL ASPIRE TO OWN RECREATIONAL PROPERTY: DREAM ALIVE AS SUMMER ARRIVES

-Recreational properties still considered a safe long-term investment and provide the ultimate Canadian family 'staycation' poll shows-

TORONTO, JUNE 18, 2009 – Despite the economic downturn, many Canadians are still dreaming of owning a recreational property, both as a long-term investment and to enjoy with family and friends. Canadians are willing to make sacrifices to own a cottage, and more want to use their cottage, cabin or chalet year-round as a recreational property and, for some, as their primary residence, according to the 2009 Royal LePage Recreational Property Report released today.

The 2009 Royal LePage Recreational Property Report comprises a nationwide survey of Canadian attitudes towards recreational property* ownership, coupled with a market analysis of recreational property prices, trends and activity in selected leisure markets across the country.

“The survey showed the dream of owning a get-away property on the water to escape the pressures of city life and to relax with family and friends, is still alive and well across the country,” said Phil Soper, President and Chief Executive of Royal LePage Real Estate Services. “Beyond the obvious lifestyle benefits however, our research demonstrates Canadians see recreational property as a smart and safe long term investment.”

The survey found that 64 per cent of Canadians view cottage ownership as a sound investment. To pursue their dream of buying a recreational property, 55 per cent of Canadians would be willing to make compromises with regards to their financial or lifestyle choices, such as purchasing a property with family and friends, renting out their cottage, making a cottage their primary residence, buying a fixer-upper, or moving into a smaller principal home in the city.

Added Soper, “An interesting trend is emerging that we believe is a direct response to the increasing size and congestion of our cities, accelerated by the recession. More and more Canadians have a desire to escape the urban jungle and use their recreational properties year-round. To save money, a majority told us that if they owned a cottage, they would be happy to call it their new vacation destination. It appears that many view owning a recreational property as the ultimate, no-hassle ‘staycation’ and one that presents an opportunity to invest while they enjoy.”

“While Canadians build their own personal equity through cottage ownership, they also contribute to the economy of the small leisure communities they vacation in by shopping at the local stores and through activities such as boating and golfing,” continued Soper.

Following a reduction in sales in the latter half of 2008 and over the winter, the recreational market is now showing signs of renewed interest and increased activity. Consumer concern about the recession and increasing inventories have eased demand and helped alleviate the chronic supply shortage that has characterized the recreational real estate market in recent years. Improved affordability is keeping many markets busy. So far this year the busiest areas have been those offering more modestly priced or entry-level properties, such as the Kawarthas in Ontario.

2009 Recreational Property Price Summary Average Price Range by Province**	
Standard Waterfront, Land Access Cottage 1,000 sq feet, 3 bedrooms, 100 foot lot	
PROVINCE	AVERAGE PRICE RANGE 2009
Prince Edward Island	\$100,000 - \$500,000
Nova Scotia	\$60,000 - \$470,000
Newfoundland	\$80 000
New Brunswick	\$90,000 - \$110,000
Quebec	\$400,000 - \$500,000
Ontario	\$430,000 - \$750,000
Manitoba	\$250,000 - \$360,000
Saskatchewan	\$300 000
Alberta	\$400,000 - \$460,000
British Columbia	\$530,000 - \$880,000
NATIONAL AVERAGE	\$370,000 - \$600,000

Given their choice, 68 per cent of Canadians would purchase a recreational property on a lake, far and away the most popular choice. According to the 2009 survey, 89 per cent of Canadians think a cottage or cabin is a great place for family to gather, and 86 per cent think it is a great way to get out of the city for recreation and relaxation.

Canadians believe that the three most important features of a recreational property are peace and quiet (58 per cent), access to utilities*** (50 per cent) and four-season use (39 per cent). These factors are consistently rated among the top three across all regions. Other highly rated features include access to boating and fishing (23 per cent), proximity to amenities (18 per cent), ecologically friendly or “green” sites (17 per cent) and year-round activities (16 per cent). Rounding out the top 10 features Canadians desire were sunset vistas, docks, and deep water, at 16 per cent, 15 per cent and 9 per cent respectively.

ADDITIONAL POLL FINDINGS BY REGION

Atlantic Canada

The Canadian dream of owning a cottage is alive and well in Atlantic Canada, where 91 per cent of residents think the cottage is a great place for family to gather, and 88 per cent consider a cottage or “cabin” a great way to get out of the city. Eighty four per cent would choose to buy a cottage on a lake, and cottage ownership would make 57 per cent of Atlantic Canadians less likely to vacation elsewhere.

Consistent with the national average, 63 per cent of Atlantic Canadians believe a cottage, chalet or cabin is a good long term investment, 49 per cent believe owning a recreational property provides a good financial return on investment. Seventeen per cent would purchase a fixer upper, 13 per cent would make a cottage their primary residence, and 10 per cent would rent out their cottage or property during the year.

Atlantic Canadians rank peace and quiet (56 per cent), access to utilities (55 per cent) and four-season use (41 per cent) as the three most important features for a cottage or property. Twenty-eight

per cent ranked proximity to amenities as a top priority, the highest score in the country. Year-round activities, access to boating and fishing, and having a dock are also important.

Québec

Québec buyers are mainly looking for quality of life, but return on investment also weighs significantly in their decisions. The majority (86 per cent) consider cottages to be a great way to get out of the city and 73 per cent would choose to buy a cottage on a lake. Slightly more than half (51 per cent) believe that owning a recreational property makes them unlikely to take vacations elsewhere.

More than half of Québécois are willing to make financial or lifestyle compromises to own a recreational property, including purchasing with family and friends (18 per cent), making a cottage their primary residence (15 per cent), and renting out their cottage (12 per cent). Fifty-five per cent believe a cottage is a good long-term investment.

The three most important features ranked by recreational property buyers in Québec are quiet areas (69 per cent), four-season use (48 per cent), and utilities (36 per cent). Québec buyers also ranked as the most eco-friendly. Thirty-one per cent are looking for green features, which is the highest among all other provinces.

Ontario

Ontario residents continue to love the cottage for quiet summer retreats by the lake with family and friends, but they are also trending toward more all-season and year-round use. Nine out of ten Ontarians agree that a cottage is a great place for family to gather, and 89 per cent cherish their cottage as a great way to escape the pressures of city life. Two-thirds would choose to buy a cottage on a lake, and owning a cottage would make 54 per cent of Ontarians content to take their vacation at the cottage this year.

More than two-thirds of Ontarians (68 per cent) think a cottage is a good investment. More than half are willing to make financial or lifestyle changes to own a recreational property, including making a cottage their primary residence (17 per cent), renting out their cottage (15 per cent) and purchasing with family and friends (13 per cent). Along with Albertans, Ontarians are more willing than other Canadians to drive as far as necessary to enjoy cottage life. Seven per cent of Ontarians say they are most likely to purchase a mobile home, the highest among all provinces.

The Prairies

More so than in any other region, 96 per cent of Canadians living in Manitoba and Saskatchewan feel that a cottage is a great place for family to gather. Seventy-three per cent believe recreational property is a good long-term investment.

Fifty per cent said a cottage on a lake would be their first choice, but a remarkable 22 per cent said that they would choose to buy a timeshare, which is more than five times the national average. Fourteen per cent said they would be willing to rent out a cottage or property during the year in order to make cottage ownership possible.

For Prairie dwellers, the three most important features of a cottage or recreational property are access to utilities (65 per cent, the highest in the country), quiet (48 per cent) and four-season use (45 per cent). Sunset vistas (26 per cent), boating and fishing (24 per cent) and eco-friendly sites (19 per cent) also rank high.

Alberta

In Alberta, 69 per cent of residents agree that a cottage is a good long-term investment. At 62 per cent, Albertans are among the most willing in the country to make changes to their finances or lifestyle in order to own a cottage. One in five Albertans would purchase a fixer upper, the highest score in the country, and 15 per cent would purchase a property with friends or family members.

For Albertans, the three most important features of a cottage or recreational property are access to utilities (60 per cent), peace and quiet (51 per cent) and four-season use (33 per cent). Access to boating and fishing (28 per cent) and proximity to amenities (22 per cent) also ranked high for Albertans. Sixty per cent said a cottage on a lake would be their first choice, but 11 per cent would choose a resort condominium and another 11 per cent would choose a property in the woods, both significantly higher than the national average.

British Columbia

In British Columbia, 59 per cent of residents agree that a cottage is a good long-term investment, 43 per cent believe a recreational property provides a good financial return on investment. Sixty-three per cent said they would be most likely to purchase a cottage on a lake.

Along with Albertans, British Columbians, at 62 per cent, are the most willing Canadians to make financial or lifestyle changes in order to buy a recreational property. One in five (22 per cent) would purchase with friends or family members, the highest rating in the country, 13 per cent would rent out during the year, and 11 per cent would move into a smaller, more affordable residence.

Like other Canadians, 87 per cent of BC residents think a cottage is a great place for family to gather, and they ranked peace and quiet (56 per cent), access to utilities (48 per cent) and four-season use (37 per cent) as the three most important features for a cottage or property. One in five (20 per cent) ranked an eco-friendly site as a priority, second highest after Québec. Year-round activities, proximity to amenities and access to boating and fishing also rank high.

Methodology

The following top-line summary presents the results for the 2009 Recreational Property Study conducted for Royal LePage Residential Real Estate Services. The survey portion of the Royal LePage Recreational Property Study was conducted online by Pollara from May 14 to May 19, 2009 among a randomly selected sample of 1,000 adult Canadians. An unweighted probability sample of this size with a 100% response rate would have an estimated margin of error of +/- 3.1 %, 19 times out of 20. The data was statistically weighted to ensure the sample's regional and age/gender composition reflects the actual Canadian population according to the most recent Census data.

**Standard cottage or recreational property - three bedrooms, 1,000 square feet on a 100 foot lot.*

*** Royal LePage, averages are based on the examination of select recreational areas in each province.*

****Utilities include electricity, sewage and plumbing.*

About Royal LePage

Royal LePage is Canada's leading provider of franchise services to residential real estate brokerages, with a network of over 13,000 brokers and sales representatives in 600 locations across Canada. Royal LePage is managed by Brookfield Real Estate Services, and is part of a brand family that includes Royal LePage, Johnston and Daniel, and La Capitale Real Estate Network. An affiliated company, Brookfield Real Estate Services Fund, is a TSX listed income trust, trading under the symbol "BRE.UN."

For more information visit www.royallepage.ca

For more information, or a copy of the Royal LePage Recreational Property Report – Summer 2009, please contact:

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