

Recreational Property Prices in Nova Scotia Increase in 2017

Dip in property inventory, coupled with an uptick in demand drives prices upward

NOVA SCOTIA, June 20, 2017 – The 2017 Royal LePage Canadian Recreational Housing Report¹ released today found that recreational property prices across Nova Scotia increased slightly when compared to the same period last year, rising to an aggregate² price of \$260,700 in May 2017. When broken down by property type, the average price of a lakefront and riverside property was \$310,000 and 216,900, respectively, while oceanfront residences and wood cabins typically costed \$365,700 and \$150,000 over the same period.

While sales have remained relatively flat year-over-year, inventory has decreased slightly across all recreational property types. Looking forward, sales activity in the region is forecasted to remain largely unchanged, as the province continues to experience more of the same across its balanced market.

“Nova Scotia’s recreational property market is extremely healthy – demand is up and inventory is only down slightly, resulting in a marginal bump in prices,” said Matt Honsberger, managing associate broker, Royal LePage Atlantic. “Buyers are increasingly feeling more comfortable with the market, and as a result, we’re beginning to see a lot of people look to Nova Scotia as an ideal recreational destination.”

According to Royal LePage’s network of advisors, when compared to other provinces, Nova Scotia has traditionally experienced a stronger-than-normal influence from foreign ownership, accounting for roughly 10 to 15 per cent of the total market. This trend has remained quite stable throughout the last couple of years, thanks in part to the province’s low property values and close proximity to the United States.

When looking at the region’s composition of buyers, Generation X couples with young children are the predominant purchasers of recreational property within the province. These buyers often seek out recreational property in Nova Scotia due to its affordability and associated maritime lifestyle. For this reason, the majority of purchasers are willing to travel up to four hours away from their primary residence to find the perfect recreational fit for their family.

“Nova Scotia offers purchasers an unparalleled selection of quality recreational properties with some of the best prices in Canada,” continued Honsberger. “The province is surrounded by the Atlantic Ocean, providing buyers with hundreds of oceanfront options. Owning a comparable property in British Columbia would typically cost buyers more than twice as much of what they’d spend here.

“With two of the top-rated golf courses in Canada, miles of ocean frontage and accessible

¹ The annual report compiles information from a cross-Canada survey of real estate advisors who specialize in recreational property sales

² Aggregate prices are calculated via a weighted average of the values of homes for reported property types in the regions surveyed

properties no further than 75 minutes from major city centres like Halifax, our province’s recreational market is truly hard to beat,” explained Honsberger.

Average regional prices

The chart below provides average 2017 prices across Canada for six recreational property types studied in the report including lakefront, riverfront, oceanfront, island, woods cottage/cabin and resort/condo. The aforementioned segments that are not highlighted in the chart below did not have an associated value for any region studied within the province.

Region	Lakefront	Riverside	Oceanfront	Woodland Cabin (non-waterfront)
Nova Scotia	\$310,000	\$216,900	\$365,700	\$150,000

Nationally, the report found that recreational property prices increased year-over-year in the majority of regions in the month of May. For the same period, the majority of markets saw a year-over-year increase in sales volumes, coupled with a drop in inventory levels – putting further upward pressure on prices in a number of regions. Looking ahead, sales activity is forecast to rise this year when compared to levels achieved in 2016.

“The Canadian recreational property market had a resounding start to the year, with the majority of markets nationwide witnessing healthy increases in both sales activity and pricing,” said Kevin Somers, Chief Operating Officer, Royal LePage Real Estate Services Limited. “Looking ahead, we expect this trend to stay in place for the remainder of the year, as warmer weather continues to heat up the market, constraining inventory levels across the country.”

Click [here](#) for a more in depth national analysis.

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