

Southern Georgian Bay Carriage Trade Homes

News and Advice for Luxury Home Sellers and Buyers - Rick Crouch Broker, MVA



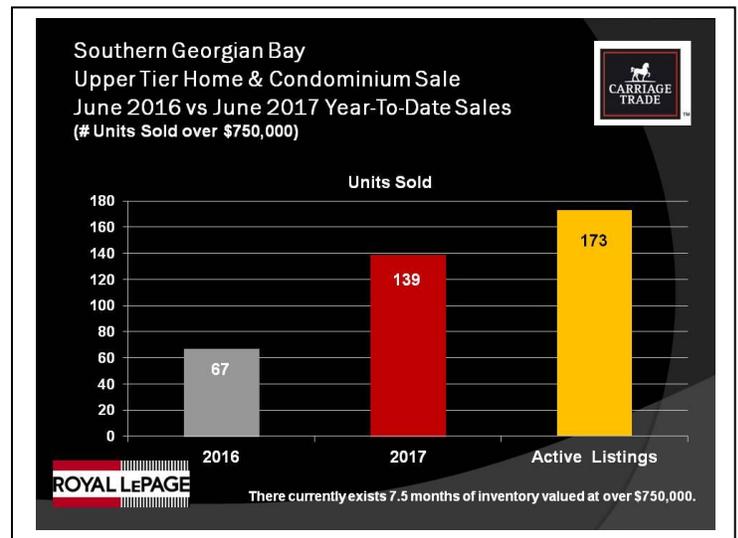
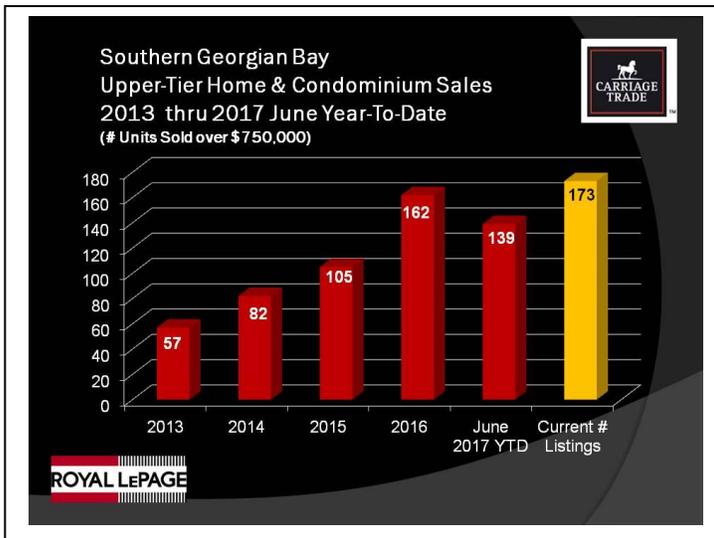
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Current Luxury Market Overview - July 2017

As in many markets across Canada, real estate sales across the Southern Georgian Bay region in 2017 have been very robust with multiple offers and properties selling for over their asking prices the order of the day. Nonetheless, MLS® unit sales which total 1,392 properties sold to the end of June are up just a modest 1% over 2016. MLS® dollar volume however is up 27%! Why the disparity between MLS® unit and dollars results? It's upper end home sales.

We define luxury, upper end home sales as any property valued at \$750,000 or above as this represents approximately the top 10% of our market. For the first six months of 2017, residential home and condominium sales in our market valued at \$750,000 and above total 139 properties. This represents a 107% increase over the 67 properties sold in the first six months of 2016. More significantly sales over \$1 million in the first six months of this year are essentially triple that of one year ago. Through the end of June there have been 74 sales over \$1 million compared to just 26 sales in the same period last year. In addition to this impressive increase in the number of resale properties sold through the MLS® valued above \$750,000 there is also a significant number of new builds in areas such as Nipissing Ridge at Blue Mountain, Lora Bay west of Thornbury and elsewhere many of which are well over the \$750,000 mark not including the land.

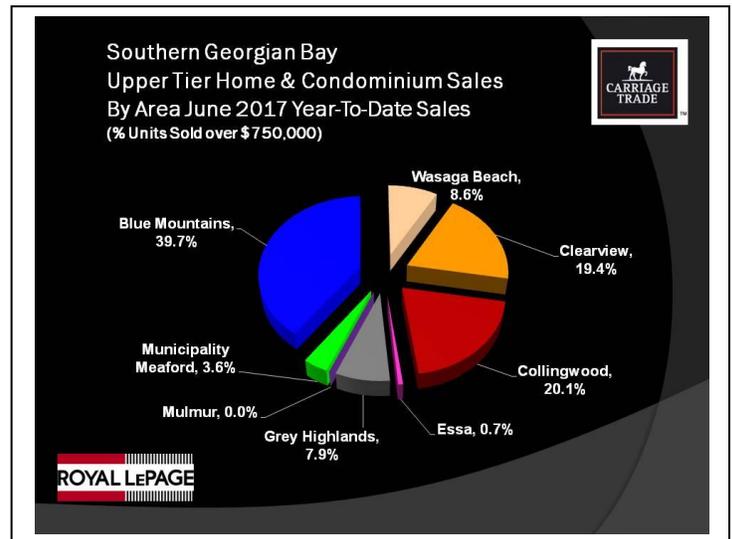
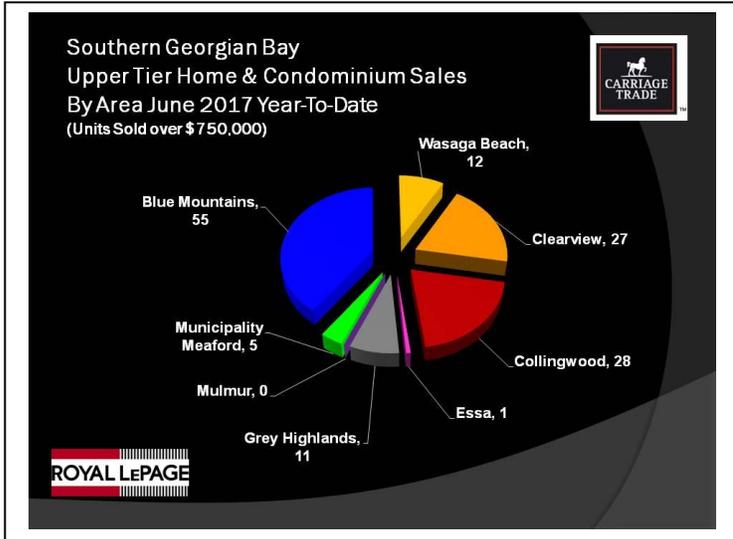


The municipality of the Blue Mountains continues to be the dominant location for upper end residential properties. Many of the buyers for expensive homes and chalets in the area are members of the private ski clubs and it is often their desire to be located close to their respective clubs. Of the 139 MLS® sales year-to-date over \$750,000, 55 of those (40%) are in the Blue Mountains. The average sale price of these 55 properties is just over \$1.2 million.

The Town of Collingwood comes in second in terms of the number of upper end homes sales year-to-date with 28 sales so far this year compared to just 10 in 2016, an increase of 180%. To illustrate just how much our market has changed, in 2009 there were just two MLS® sales in Collingwood over \$750,000 in 2016 there were a total of 32 and this year we are on track to see upwards of 60 sales with values in excess of \$750,000.

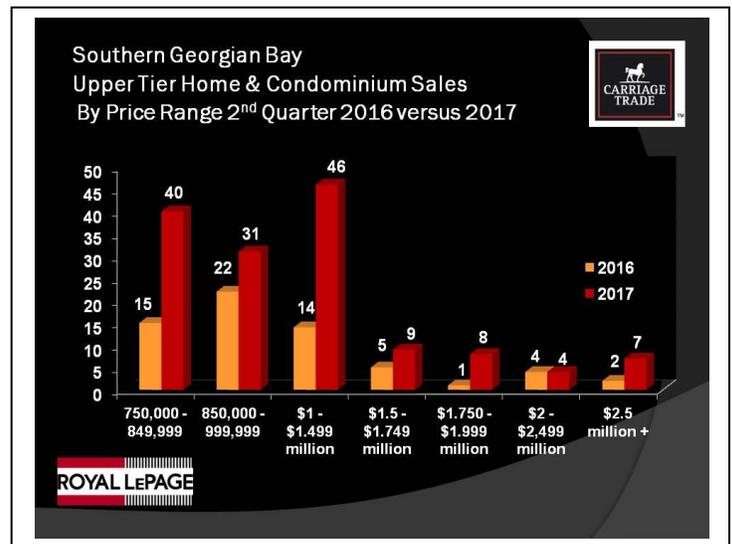
Upper end home and condo sales in the remaining municipalities throughout our region year-to-date round out as follows: Clearview Township 27 sales up 69%, Wasaga Beach 12 sales up 50%, Grey Highlands 11 sales up 83% and the Municipality of Meaford 5 sales up 67% from one year ago.

The price segment of our market reflecting the greatest growth is in the \$1 million to \$1.5 million dollar range. Year-to-date sales in this price range totals 46 properties which is essentially three times what it was in the first six months of 2016. Sales at the extreme upper end of our market have also shown strength in 2017 with sales over \$2.5 million totalling 7 properties as compared to just two in the same period last year. Despite a strong demand, correctly pricing a luxury, upper end property is key to attracting a qualified buyer. Buyers of luxury, high end real estate know quality, value and they have very discerning tastes. Many have built homes/cottages or have done extensive renovations and they know the costs. Expensive properties often languish on the market as they are simply priced too high to attract a Buyer.



It will be interesting to watch this segment of the market through the balance of 2017 to see if the pace of \$1 million plus sales continues. As of June we have already seen the overall market slow down from the frantic pace of sales we experienced in the first five months of this year. The frequency of multiple offers has greatly diminished and properties realistically priced are selling for close to or at their respective list prices and not thousands of dollars over as was the case earlier in the year. Unlike the overall market where the number of new MLS® listings is down 16% year-to-date which is suppressing sales, there remains a significant supply of listings on our MLS® system over \$750,000. As of this posting there are currently 173 homes and condominiums listed for sale on the MLS® system of the Southern Georgian Bay Association of REALTORS® over \$750,000 which represents a 7.5 month supply based on the current pace of sales.

For a confidential no obligation consultation of your luxury home/condominium selling or buying objectives, please do not hesitate to [Contact Me](#).



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