



Salt Spring Island Real Estate

SUMMER 2010 MARKET REPORT



KELLY REGEN

1.800.537.1201

kellyr@saltspring.com

HIGHLIGHTS

- ▶ **World Destination**
- ▶ **Demographic Shift**
- ▶ **Buyer's Market ?**
- ▶ **Property Watch Program**

TESTIMONIAL

"Kelly was very professional, good to work with and easy to get a hold of. Thanks for all of the help. "

Dave & Charlotte



What is your dream? A recreational home in the Gulf Islands? A retirement home? Whatever it is ...we have it on Salt Spring Island, the largest of the Canadian Gulf Islands off the coast of British Columbia between Vancouver and Vancouver Island. Our Islands on the Canadian side and the San Juan Islands on the U.S. side of the border encompass the string of emerald green Islands that shimmer off the west coast of North America.

Easy to get to, Salt Spring Island has become a world destination for those seeking a safe haven from the frenetic pace of urban life. In this age of technology, Islanders can base themselves on Salt Spring Island and communicate with and travel to all parts of the world for business. A world class ferry system and regular float plane service provide access to metropolitan locations in minutes or a few hours. Direct flights between Vancouver and many major U.S. cities brought more American buyers our way in the past decade. That trend has shifted dramatically, however, in the past few years because of the weakening American dollar. Americans were buying properties in Canada a few years ago at a 50% discount because of the exchange rate. Today, the Canadian dollar is almost at par with the American.

The climate enjoyed in the BC Gulf Islands is the most moderate in Canada, described as 'cool Mediterranean'. The climate allows year round outdoor activities such as boating, hiking, tennis and golf and provides a long growing season for gardeners. Whatever you are looking for....a west coast cedar and glass waterfront home; tucked away cottage, ocean view home, rustic or estate farm, upscale town home, pristine undeveloped land to create your own abode...all are available on Salt Spring Island.

Many retirees moved to Salt Spring in the last decade to live out their dream. Many part-time non-residents came to enjoy our eclectic and welcoming community for up to the allowed 6 months of each year. People from around the world discovered Salt Spring Island. The quaint seaside village of Ganges on Salt Spring Island offers all amenities i.e. fine restaurants; banks; supermarkets; medical/dental offices; pharmacies; legal and accounting offices, book stores; coffee shops; galleries; retail shops; hardware and building supply outlets, etc. There is little that is missing on Salt Spring Island!

Like real estate markets everywhere, our local market is demand driven. More than any other factor, the demographic shift continues to drive the demand that drives our market. That demographic bubble won't shift for many years to come. Every few seconds, someone retires in Canada and many yearn to head west to enjoy our climate and lifestyle. These retirees seek a small town culture. They are looking for a community of residents who are well educated and interesting; a community that is sophisticated in services but rural in nature; that is beautiful and natural in its surroundings; and is within easy reach of centers of commerce. Parents enjoy the safe environment and supportive community within which to raise their children. All that is Salt Spring Island.



KELLY REGEN

**Macdonald
Realty
Salt Spring**



250.537.1201

1.800.537.1201

**Fax:
250.537.2046**

I guarantee...

**Strong market
knowledge**

**Strong technology
skills**

**Strong
negotiating
strategies**

**Strong business
perspective**

**Gentle people
skills**

Our local real estate market started to shift in 2006 with an increasing number of listings and less demand. That translated to pressure on prices to decline. There were 50% fewer sales in 2008 than in 2007 and 2009 sales were only marginally better. Our market was weakening before the November global economy crisis. Sellers are reducing prices in the hopes of attracting one of those few buyers out there. It is now truly a Buyer's Market. There is an excellent selection of properties on the market and many sellers are keen to negotiate. The price range that is the most active is up to \$500,000 and those prices are staying relatively stable. Listing inventory is mounting in higher price ranges where there is little sales activity and there is pressure on those prices to decline.

Sellers, it's time to be sharp about pricing your property. There are no premiums to be had in our marketplace and you have to be proactive to attract and keep one of those buyers out there. You have very strong competition!

Buyers, buying a property on Salt Spring Island takes the careful guidance of an experienced realtor to lead you through the process. Our responsibilities include introducing you to every property on the market that suits your needs AND to give you guidance on value so that you don't unknowingly, overpay. The 'due diligence' involved in property inspections, i.e. permit status, water and septic testing; title charges; structural investigations; non-resident tax, GST, and zoning issues, has become very complicated. Many of our buyers are not living here on the Island and don't know the local professionals so we experienced realtors take on the assignment of coordinating those investigations for our clients.

There are no restrictions on non-residents owning property in Canada. Non-resident owners are limited to spending approximately 6 months (cumulative) each calendar year in Canada to satisfy two Canadian government authorities i.e. Immigration and the Canadian Tax Department. There are taxation issues around any capital gain enjoyed when selling but Canada has established a tax treaty with many countries resulting in concessions on Canadian tax owed. Many non-residents have purchased homes here and spend up to six months on Salt Spring Island and six months at their primary residence in their country of tax base. Rules for immigrating to Canada changed in July 2002. In the top menu bar of our website, click on 'non-resident info' for links to immigration consultants for more information or contact an Immigration Department close to you.

We offer you many years of award winning local real estate expertise. The majority of our business is from repeat business and personal referrals from satisfied clients. We are caring, thorough, strong negotiators and excellent contract writers. We are very responsive to our clients' questions and needs.

We have a 'property watch' program which matches waiting buyers to new listings. If you would like us to add you to the program, please contact us with details of what you hope to buy. We will outline what we can do for you and what you can do to prepare for your purchase. We understand that your property may be your largest investment. We also understand that many of you want to dramatically change your lifestyle. We can help. Buying is a business decision as well as an emotional one. We are very good at listening and we are very good at taking care of business, including after-purchase assistance. All of our clients have become friends and our goal is to keep our 'clients for life'.

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www.gulfislandsrealestate.com