

RECREATION FEATURE Some B.C. resort developers keep cut-rate prices despite apparent sales recovery

Last of the screaming deals

FRANK O'BRIEN

WESTERN INVESTOR

Early last year, as the cold wind of a recession blew through B.C.'s recreation market, resort developers slashed prices and rejigged their marketing plans. Out went some of the frills, in came smaller building lots and heavily discounted prices on condominiums and other property.

Tobiana Resort near Kamloops, for instance, slashed prices for building lots by 50 per cent during a 90-day spring campaign. "It worked out well," said **Mike Grenier** of **Pagebrook Holdings**, but he suggested that when their new sales season starts, prices will be back to pre-recession levels. "The recreation market has strengthened considerably," Grenier said.

In the Kootenays, developer **Red Mountain Ventures** has kept deeply discounted prices on remaining luxury ski-side townhomes and condominiums in its Slalom Creek project.

"We have several mountain, community and real estate projects in the works for 2010, and the sooner we sell the remaining suites at Slalom Creek, the sooner we can focus our attention on other aspects of Red's master plan," said **Howard Katkov**, president and CEO of Red Mountain Ventures. "The financial benefits from this fast sale far outweigh the impact of holding on to the suites at regular pricing for a longer term."

Examples of price reductions at the 67-unit Slalom Creek include a 1,163-square-foot two-bedroom home that was \$509,900 and is now priced at \$267,490. A 1,434-square-foot three-bedroom home that was \$609,900 is now \$322,650. And a 1,434-square-foot three-bedroom home that was \$609,900 is now listed at \$322,650.

Some of the suites work out to about \$220 per square foot, compared with \$500 per square foot before the blow out campaign.



Red Mountain Resort: luxury ski homes from \$220 per square foot: half-price from the peak. There are also price reductions on B.C. building lots and fractionals.

As of press time, Red Mountain still had 11 suites remaining at the discounted prices.

Also in the Kootenays, the Spirits Reach development on Columbia Lake has discounted prices on the last 10 of 34 lakeview homes in the planned community that includes water, golf, recreation and equestrian features. Prices have been cut by an average of \$120,000, which means the luxury homes that were originally at up to \$899,000 are now discounted to the \$569,000-to-\$799,000 range.

At Revelstoke, prices have been reduced on fractional shares of a unique property developed in the downtown by a Texas investor. MacKenzie Station, built in 2008 to look like an 1800-period building, features a single huge condominium on the top floor.

Sotheby's took over the listing last month after the fractionals failed to sell at \$189,000 to \$229,000. Sotheby's is now offering the first of 10 fractional buyers a share at \$129,000 for the summer season or \$159,000 for the winter season. **Carl Rankin** of Sotheby's said the rest of the fractionals will be priced from \$159,000 for the summer season and \$189,000 for the

winter. Each buyer gets to use the ultra-luxury digs for five weeks a year.

Rankin is also blowing out the last two lots at Revelstoke's Cobblestone Properties. Originally priced from \$270,000 to \$280,000, the last lots are being offered at \$215,000 and \$240,000.

Okanagan

The Rise resort near Vernon – **CB Richard Ellis** is trying to find a buyer for the entire golf and lakefront project – has 10 premier building lots left following a 30 per cent price discount. "These are large lakefront view lots," said agent **Greg Lowe** of **Land Launch Marketing Corp.**

Prices are \$349,000, compared with original prices of around \$550,000, he said.

The Rise, a 735-acre development with master plan approval for 1,200 units, was awarded protection from its lenders and creditors by the **Supreme Court of BC** in 2008.

Okanagan realtors, who asked not to go on record, hinted that one Silver Star ski resort developer is preparing to blow-out two or

three luxury condos that pre-sale buyers have defaulted on.

Jordan River

On Vancouver Island, **Colliers International**, which has been selling off excess forestlands owned by **Western Forest Products (WFP)** for the past few years, has split some of the best land on Southern Vancouver Island into smaller parcels that could have recreational potential.

Formerly, the land was offered only as large portfolios. Last year, Colliers sold more than 3,000 acres of WFP land in 23 parcels for \$8.8 million.

The focus of the smaller parcels is oceanfront, riverfront and semi-waterfront along the Juan De Fuca coast between the District of Sooke and Jordan River. Jordan River is a popular destination for surfers.

The smaller properties range from four to 722 acres, including some waterfront.

Mark Lester senior vice-president with Colliers' **Unique Properties** said the listings include 35.1 acres at Jordan River for \$1.75 million; and 114 acres of Jordan River oceanfront for \$2.75 million. There is also a 221-acre oceanfront parcel for \$3.4 million. Lester said all the land has the potential for road access, either directly or through easements and all have standing timber.

Arizona

For those looking into the troubled U.S. resort market, a deal could be coming after Vancouver developer **Rob MacDonald** snapped up an award-winning Phoenix highrise out of foreclosure.

The Century Plaza is a former office building that was being converted to condominiums when the Phoenix market collapsed. "We're calling it an urban resort, in a fun part of the city," MacDonald said. MacDonald, with partners, plans to re-launch the tower as urban condos, aimed partially at the Canadian market. ♦

Alberta

ALBERTA INVESTMENT OPPORTUNITY

MOTELS & HOTELS

- **CAMROSE ALBERTA**, 40 unit motel. Excel. Gross revenue. asking 2.9M
- **IN NORTHERN ALBERTA**, In busy booming town of Nampa - 16 unit Motel, 100 seat lounge, VLT's, liquor store and restaurant. 2008 gross sales - \$947,000 **Asking \$1,425,000**

OTHER INVESTMENTS

AREA CAMROSE FARMS

- Viking area, 1440 acres grain and hay
- Rosalind area, 479 acres grain and pasture
- Daysland area, 480 acres grain land
- Viking area, 160 acres recreational land

- **CONVENIENCE STORE** Gas bar & mechanical shop. Residence on acreage site. Excl. Gross Revenue. Asking \$575,000.

- **FULL SERVICES 63 UNIT MOTEL** 6.2M Rev. - Room, Restaurant, Pub & Liquor Store Sales.
- **FULL SERVICES 115 UNIT MOTEL** with additional 5 acres Commercial land. Revenue includes Rooms, Restaurant, Pub and Liquor Store sales.

- **HOLDON, ALBERTA** - Self Storage business. Projected annual gross: \$22,610. **Asking \$159,900.**

- **BAWLF, ALBERTA** - 4 Commercial Lots with older partially upgraded Building, Heated Garage and an old former Greenhouse Bldg. **Asking! \$144,900**



email: swancity@telusplanet.net
www.swancityrealty.com

FOR MORE INFORMATION CALL
OREST: 780-679-8353 FAX: 780-672-1897
CAMROSE, ALBERTA

HOTEL LOCATION! LOCATION!

Ideal location (and need) for a hotel. Main street (Highway) of Olds (College Town). Pick your location from 17 acres!

CALL JOHN SHELDON
403-371-7017

OR JOHN BEAUDOIN
403-371-5762

DISCOVER REAL ESTATE 403-233-0703

MOTEL SCENIC - SW Alberta Investment/business opportunity



- 45 Unit Motel & European lodges, 1.1acre
- Scenic Highway 6 near Waterton Lakes Park
- Year-round activities; oil & gas, windpower, tourism, skiing, hunting/fishing
- 3 Bdrm. Managers suite/ Tour Bus Parking
- No Business Tax in Pincher Creek

Asking \$2.59M MLS20094428

Please Contact:
Ingrid Brestler
403-627-4281



Wetaskiwin

CITY OF OPPORTUNITY

- **Commercial and Industrial Land Development Opportunities**
- **Single Family Homes & New Apartments Required, Site Available**

- **35 minutes to Edmonton and 60 Minutes to Red Deer**
- **Retail and Hotel Development**
- **SKYPORT at Wetaskiwin Airport**
- **44,000 loyal shoppers in immediate trading area**



For Details Contact:
RONALD HOLLAND (780) 361-4433
Toll Free: 1-800-989-6899 Edm Dir: (780) 421-0953
rholland@wetaskiwin.ca

City of Wetaskiwin
Economic Development
P.O. Box 6210
Wetaskiwin, Alberta T9A 2E9 www.wetaskiwin.ca