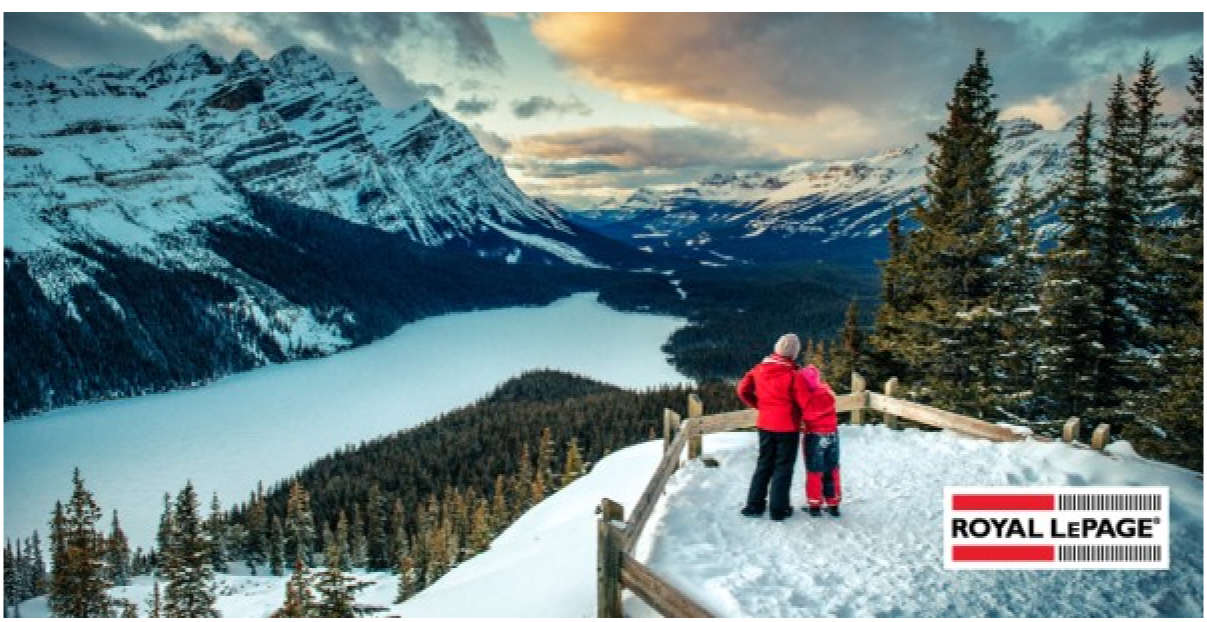
Interest rate cuts spark real estate optimism for 2025 in Canada's top ski destinations

As falling rates reassure consumers, aspiring recreational homebuyers will firm up purchase plans, Royal LePage predicts

- Royal LePage® is forecasting a 7.5% increase in single-family home prices over the next year in popular ski regions across the country.
- National single-family home prices in Canada's winter recreational market remained flat, posting a 0.4% decrease year over year in the first nine months of 2024.
- More than one-third (38%) of Royal LePage recreational property market experts reported a surge of inquiries from clients when changes to capital gains tax were announced.
- Effects of climate change continue to create drier and hotter conditions, increasing reliance on snow-making technologies for winter resorts.



TORONTO, November 14, 2024 – According to the Royal LePage Winter Recreational Property Report released today, home prices in Canada's popular ski regions[1] remained higher borrowing costs. Activity and prices are expected to regain momentum in 2025, as lending conditions continue to improve.

“Much like the mainstream urban housing market, sales activity in Canada’s recreational regions has been treading water over the past year. The time it takes to sell a property has been longer than normal over the past year; what we call ‘days on market.’ Yet, recreational home prices have remained stable as low supply balanced sluggish buyer demand,” said Phil Soper, president and chief executive officer, Royal LePage. “This is a testament to the resilience of the winter recreational segment, even under the pressure of the 2023-2024 high interest rate environment, which has caused many buyers in all areas of the market to pull back from their purchase plans.

“For most, a winter getaway home is a ‘love-to-have’ and not a ‘must-have.’ Many recreational buyers have the patience to wait for the right property to become available or for rates to drop enough to restore their confidence in the economy. With four rate cuts now under our belt, and more likely to come, the winter rec market will spring to life again. As with urban markets, there is a window of opportunity for buyers, as stable prices intersect with declining borrowing costs.”

The characteristics of winter recreational markets across the country vary from one region to the next. While home sales were down in Ontario, Alberta and most of British Columbia’s ski regions, sales were up on a year-over-year basis in a majority of markets in the province of Quebec.

Two thirds (69%) of Royal LePage recreational property experts across the country reported similar demand in their respective regions for recreational homes, and an increase in inventory (63%) compared to 2023. Seventy-five per cent of experts reported an increase in the average number of days on market.

Market Forecast

Royal LePage is forecasting that the median price of a single-family detached home in Canada’s recreational ski regions will increase 7.5 per cent over the next 12 months to $1,019,960. This forecast is based on the expectation that interest rates will continue to decline in the first half of 2025, coaxing buyers back to the market as consumer confidence improves.

“Though a portion of recreational homebuyers do not use traditional financing methods – either because they buy in cash or utilize equity from their primary residence – many use the trajectory of interest rates as a gut check for how the economy is performing and whether or not they should take the plunge into buying that dream vacation home,” added Soper. “With the Bank of Canada expected to make additional cuts to the overnight lending rate over the next several months, consumers will feel increasingly confident about pulling the trigger on that winter cabin or mountain chalet purchase. This will result in upward pressure on prices, especially in supply-strapped markets.”

Falling interest rates prompt little initial reaction from recreational buyers

Despite the long-awaited cuts to borrowing costs, reaction to decreased interest rates has been modest thus far in the recreational real estate segment. When asked how lower interest rates have impacted demand in their region in recent months, 75 per cent of Royal LePage recreational property experts reported similar demand to last year in their respective markets; 19 per cent of experts reported more demand.

"Although recreational property owners are less likely to have a monthly mortgage payment when compared to owners in cities, the impact of elevated rates these past two years have not left them unscathed. Many cabin and chalet buyers have a mortgage on their primary residence, which has left some cash-strapped and hesitant to move forward on the purchase of a vacation home. In some cases, owners and investors have had to downsize or offload recreational homes. In a time when short-term rentals are facing increasingly stringent regulatory measures, leasing your winter property to offset expenses is not the straightforward solution it once was," said Soper.

"With rates falling, we foresee that buyers who have been waiting on the sidelines will start to get serious again as soon as market competition heats up."

The Bank of Canada is widely expected to cut its key lending rate again at the next announcement on December 11th.

Updated capital gains tax triggered cottage country commotion

In its 2024 federal budget, released on April 16th, the Canadian government announced that it would be updating its policy on capital gains tax, increasing the inclusion rate on capital gains realized annually above $250,000 from one-half to two-thirds. The change came into effect on June 25th.[3]

Capital gains tax is applicable on the sale of non-primary residences, which includes recreational properties. During its roll out, the updated legislation triggered many questions from existing property owners and those with homes for sale. More than one-third (38%) of Royal LePage recreational property experts reported a surge of inquiries from clients around the time the updated capital gains tax change was announced.

"Canadians were not given much runway to react, from the time the changes to capital gains were first unveiled to when they officially came into effect. It would have been challenging for homeowners to list, sell and close on a property before June 25th, in order to beat the increased inclusion rate. The updated tax law left some sellers scrambling for a quick sale," said Soper. "The tax change will materially impact Canada's investor segment, both in the urban and recreational areas of the country. Contrary to government efforts to create much-needed housing supply for the one-third of Canadians who currently rent, revisions to the tax law discourage entrepreneurial investment in housing."

To date, although the measure has been announced and legislative proposals tabled, the final regulations have not yet been adopted. Many analysts and players in the real estate market are keeping a close eye on developments in this matter, especially in a context where future federal elections could change the game.

The effects of climate change continue to impact countries around the world, including Canada.

This summer, several Canadian cities were hit with extreme weather events. On July 17th, a sudden torrential downpour flooded major transit routes and left thousands of people without power in downtown Toronto. Less than a month later on August 5th, a storm that produced baseball-sized hail caused $2.8 billion in insured losses in Calgary, the second most-expensive insured event in Canadian history.[4] And, Montreal experienced record-breaking single-day rain accumulation and subsequent flooding on August 9th. According to the Communauté métropolitaine de Montréal (CMM), which includes 82 municipalities in the area, the number of properties located in flood zones in the Greater Montreal Area doubled during the most recent floodings.[5]

Canada's recreational regions are not immune to such disasters. Rising average temperatures are creating increasingly hot and dry conditions, making forests more vulnerable to fires. In mid-July, Alberta's Jasper National Park – part of UNESCO's Canadian Rocky Mountain Parks World Heritage Site – recorded its largest wildfire in a century, resulting in the loss of more than 32,000 hectares of forest. Triggered by a lightning strike, the fire consumed 30 per cent of structures in the Municipality of Jasper, including 820 housing units,[6] which has left many local residents displaced. Parts of the park remain closed as the community works to rebuild.

"No one is spared from the impacts of climate change. Extreme weather events as a direct result of our warming planet are becoming increasingly frequent and perilous, and Canada's beloved recreational regions are suffering. Natural disasters aside, rising temperatures are making snowy days less frequent, placing further reliance on snow-making technology to ensure ski resorts can operate," said Soper. "That said, it is worth noting that Canada's more northerly ski destinations do have more consistent below-freezing temperatures than American and European resort towns, making snow preservation much more reliable. Still, it has never been more important for governments to commit to and follow through on climate action."

Data chart – Royal LePage 2024 Winter Recreational Property Report: rlp.ca/table-2024-winter-recreational-report

REGIONAL SUMMARIES

QUEBEC

In the first nine months of the year, the median price of a single-family detached home in the province of Quebec's popular ski regions increased 4.9 per cent year over year to $521,300, while the median price of a condominium decreased 5.1 per cent to $370,600. In the province's recreational market, the median price of a single-family detached home is forecast to increase 6.0 per cent over the next 12 months.

Mont-Tremblant *(Mont-Tremblant, Mont-Blanc, La Conception)*

During the first nine months of the year, the median price of a single-family detached home in the Mont-Tremblant area increased 10.8 per cent compared to the same period in 2023, to reach $576,000, with sales recording a 5.9 per

“Property enquiries surged in the second half of the year in Tremblant, as the Bank of Canada adjusted its key lending rate downwards. However, this renewed interest did not translate into a significant increase in sales,” explained Corina Enoaie, manager and residential and commercial real estate broker with Mont-Tremblant Real Estate, a division of Royal LePage. “The majority of recent transactions in the region involve recreational properties rather than investments. Mont-Tremblant remains a valuable choice for local and international buyers, especially as the region is exempt from the ban on residential property purchases by non-Canadians.”

Enoaie adds that the Mont-Tremblant region has adapted quickly to the emergence of short-term rental platforms. As an internationally renowned tourist destination, some rules and restrictions on rentals have been in place for several years. These carefully crafted regulations are designed to preserve the local quality of life, while allowing investors to benefit from a clear and well-defined framework for renting out recreational properties.

For those looking for property slopeside, the current minimum price threshold is approximately $1,400,000 for a single-family detached home and $150,000 plus taxes for a condominium (condo-hotel).

Enoaie has also noted a considerable increase in sales of luxury properties in the Mont-Tremblant area this year. For 2025, she expects prices to rise steadily.

Royal LePage forecasts that the median price of single-family detached homes in the region will rise 8.0 per cent over the next 12 months.

Mont Saint-Sauveur *(Saint-Sauveur, Morin-Heights, Piedmont)*

In the first nine months of the year, the residential real estate markets near Mont Saint-Sauveur saw positive momentum in sales and prices. In the region, the median price of a single-family home rose 3.4 per cent over the same period in 2023 to $610,000. Meanwhile, sales rose by 9.3 per cent. The median price of a condominium in the region also posted an increase, climbing 17.1 per cent compared to the first nine months of 2023 to $415,000. Sales in this segment rose 7.6 per cent.

“The price increase for single-family homes in the Mont Saint-Sauveur area was not as strong as it was at this time last year, but it remained steady, which shows that the appeal of the Laurentians’ real estate market has endured,” said Éric Léger, residential and commercial real estate broker, Royal LePage Humania E. L. “Inventory of properties has improved, providing a better buying experience for buyers, while home values remained healthy, allowing owners to maintain equity in their real estate portfolio.”

To explain the considerable price appreciation in the condominium segment, Léger attributes it primarily to affordability.

“During the period of higher interest rates in 2024, some aspiring buyers opted for condo ownership rather than waiting until they could afford a single-family home, especially since the gap between the two property types has

For those looking for a property slopeside in Saint-Sauveur, the current minimum price threshold is approximately $800,000 for a single-family home and $600,000 for a condominium.

“I see the Bank of Canada’s efforts to stimulate the economy as a good thing for the real estate market north of Montreal,” said Léger. ‘I’m expecting an additional surge in demand from buyers who will enjoy greater purchasing power. This will contribute to a moderate rise in prices,” he continued.

Royal LePage forecasts that the median price of a single-family detached home in the region will increase 7.0 per cent over the next 12 months.

Val Saint-Côme et Mont Garceau *(Saint-Côme, Saint-Donat)*

In the first nine months of the year, the median price of a single-family home near Val Saint-Côme and Mont Garceau rose by a modest 2.1 per cent over the same period in 2023, to $446,000, while sales contracted by 12.9 per cent.

For those looking for a property slopeside, the minimum price threshold is approximately $400,000 for a single-family home.

“The Lanaudière winter recreational markets remained relatively stable in 2024,” said Éric Fugère, residential real estate broker with Royal LePage Habitations. “Although mortgage conditions improved, they did not create any substantial movement in real estate demand. Buyers have become more demanding and resolute in their decisions, especially if the list price of the property they are interested in is not in line with market value,” he added.

According to Fugère, mining exploration activities in the region could disrupt the resort real estate market in years to come if they obtain the necessary environmental approvals to go ahead.

“At present, mining exploration activities are generating a great deal of opposition from local residents, who are complaining about the noise pollution caused by the comings and goings of trucks, as well as the risk of environmental impact,” he said. “Some are already voicing concerns about the potential contamination of a number of lakes and the destruction of wetlands, which could have a serious impact on property owners and the attractiveness of the region. It is essential that local communities are able to preserve their way of life and that mining activities are carried out in a respectful manner without intruding on the daily life of local residents.”

In the shorter term, Fugère expects property prices to increase slightly in 2025, as buyers and sellers continue to ‘play hardball’ in their negotiations.

Royal LePage forecasts that the median price of a single-family detached home in the Val-St-Côme and Mont Garceau markets will increase 3.0 per cent over the next 12 months.

Of the three regions analyzed in the Eastern Townships, the Bromont region saw the strongest increase in the median price of single-family homes, rising 13.8 per cent between January 1 and September 30, 2024, compared to the same period in 2023, to reach $718,000. Sales in the region were down 4.0 per cent in this segment. For its part, the Mont Orford region recorded a moderate increase of 5.7 per cent compared to the same period in 2023, reaching $539,000. The median price of a single-family detached home near the Mont Sutton ski area fell by 17.9 per cent year over year in the first nine months of the year to $575,000, a decrease of $125,000. Single-family detached home sales in the regions of Mont Orford and Mont Sutton increased 13.4 per cent and 5.0 per cent, respectively.

In the condominium segment, the median price near Mont Orford increased 3.2 per cent, while it declined by 14.6 per cent year over year in Bromont, to $320,000 and $474,200 respectively. Condominium sales in Mont Orford rose 10.7 per cent, while they fell by 19.4 per cent in Bromont.

“In the Eastern Townships’ winter recreational markets, demand fluctuated on the fringes of an uncertain economy, but property prices remained on the rise in most locations,” said Véronique Boucher, residential real estate broker with Royal LePage Au Sommet. “First-time buyers are slowly returning to the market, confident that interest rates will continue to decline slightly and make way for greater affordability. Days on market have been getting longer, but the Bank of Canada’s latest interest rate announcements provide some hope that activity will pick up in the fourth and final quarter of the year.”

For those looking for property slopeside, the current minimum price threshold is approximately $950,000 for a single-family home in Bromont, while it stands at $800,000 in Mont Orford and Mont Sutton. A condominium by the slopes starts at $450,000 in Orford and $550,000 in Bromont.

Royal LePage forecasts that the median price of a single-family detached home will increase 7.0 per cent in Bromont, 5.0 per cent in Mont Sutton and 4.0 per cent in Mont Orford over the next 12 months.

Mont Sainte-Anne *(Beaupré, Sainte-Anne-de-Beaupré, Saint-Ferréol-les-Neiges, Saint-Joachim)*

In the Mont Sainte-Anne area, the median price of a single-family home jumped 13.6 per cent year over year to $335,000. Sales in this segment were up 43.0 per cent. In the condominium segment, the median price fell 12.5 per cent year over year to $220,000. Condominium sales in this region followed prices, declining by 18.3 per cent over the same period.

For those looking for a property slopeside, the entry-level price is approximately $530,000 for a single-family detached home and close to $400,000 for a two-bedroom condominium.

According to Michèle Fournier, a chartered real estate broker and vice-president of Royal LePage Inter-Québec, the dwindling supply of short-term rental condominiums is one of the reasons for the drop in prices and sales in this segment of the market.

of life of other owners. These restrictions contribute to a reduced supply of Airbnb properties in the area, which can have a significant impact on sales and prices."

Royal LePage forecasts that the median price of a single-family detached home on the outskirts of Mont Sainte-Anne will increase 5.0 per cent over the next 12 months.

Stoneham/Lac-Beauport *(Stoneham-et-Tewkesbury, Lac Delage, St-Gabriel-de-Valcartier, Lac-Beauport)*

In the first nine months of the year, the Stoneham/Lac-Beauport ski area saw the strongest increase in the median price of a single-family detached home in the province of Quebec, climbing 20.9 per cent year over year to $555,000. Sales also rose by 14.4 per cent over the same period.

"With a relatively stable inventory of properties for sale, the Stoneham/Lac-Beauport ski area has seen a considerable increase in the price of single-family homes this year," explained Michèle Fournier, chartered real estate broker and vice-president, Royal LePage Inter-Québec. "What's more, the region is attracting a growing number of professionals looking to settle here permanently, which is contributing to strong real estate demand."

For those looking for a property slopeside, the minimum price today is approximately $600,000 for a single-family detached home.

Fournier expects the decline in interest rates will drive price appreciation in 2025, while consumers will see their purchasing power grow.

"For a relatively large proportion of the population, as financial capacity increases, so does the desire to afford more," she said. "On the one hand, buyers who have been on the sidelines will see this as an opportunity to get on the property ladder. On the other, existing homeowners may be tempted to upgrade by moving to a property that offers more space and a better quality of life."

Royal LePage forecasts that the median price of a single-family detached home in the Stoneham/Lac-Beauport market will increase 10.0 per cent over the next 12 months.

Massif de Charlevoix (Charlevoix-ouest) *(Baie-Saint-Paul, Les Éboulements, Isle-aux-Coudres, Petite-Rivière-Saint-François, Saint-Hilarion, Saint-Urbain)*

Over the first nine months of the year, the median price of a single-family detached home near Le Massif de Charlevoix fell by 17.9 per cent year over year to $327,500, while sales rose 12.1 per cent over the same period. This is a stark contrast to the sharp rise in prices seen in 2023.

For those looking for a property slopeside, the minimum price threshold today is approximately $450,000 for a single-family detached home.

However, Lavoie expects a more dynamic transaction period that will lead to a stabilization of prices over the coming months.

Royal LePage expects the median price of a single-family detached home in the region to increase 3.0 per cent over the next 12 months.

Mont Grand Fonds (Charlevoix-est) *(La Malbaie, Clermont, Saint-Siméon, Saint-Aimé-des-Lacs, Notre-Dame-des-Monts, Sainte-Irénée, Baie Sainte-Catherine)*

In the first nine months of the year, the median price of a single-family detached home near Mont Grand Fonds de Charlevoix rose 5.9 per cent year over year to $250,000. Sales were also up over the same period, increasing by 2.2 per cent.

“Upcoming investments in the municipality of Charlevoix-est should stimulate activity and property prices in the coming year,” noted Denis Lavoie, residential and commercial real estate broker, Royal LePage Blanc & Noir. “The construction of a new hospital, which will help create new jobs, combined with real estate investments in the region, are among the real estate demand factors that will help push prices moderately higher in 2025.”

Royal LePage forecasts that the median price of a single-family detached home in the markets surrounding Mont Grand Fonds will increase 5.0 per cent over the next 12 months.

Data chart – Royal LePage 2024 Winter Recreational Property Report: rlp.ca/table-2024-winter-recreational-report

ONTARIO

Southern Georgian Bay *(Collingwood/Meaford/Thornbury)*

The median price of a single-family detached home in Southern Georgian Bay’s recreational property market for the first nine months of the year decreased 4.7 per cent year over year to $853,000. Meanwhile, the median price of a condominium decreased 3.5 per cent to $627,000 during the same period. For those looking to buy a house or condominium slopeside or at mountain base, prices typically start at $1,500,000 and $450,000, respectively. Total sales were down 9.9 per cent year over year in the region.

“Recreational buyers have yet to demonstrate a strong reaction to lower interest rates. We continue to see potential purchasers sitting on the fence, hoping to be the beneficiaries of additional cuts to borrowing costs. As a result, with new listings and sales activity in a holding pattern, we have watched recreational prices continue to soften,” said Desmond von Teichman, broker, Royal LePage Locations North. “The rental market has also slowed. Renters are very selective about the types of properties they want to lease, which has caused some inventory to sit and prices to

Von Teichman added that Southern Georgian Bay did not see a lot of natural snowfall last winter, which meant resorts had to rely on snow-making technology to create powder in greater volumes. Areas outside of the resorts, where consumers cross-country ski and snowmobile, do not have this advantage and have had a harder time maintaining snow levels for recreational visitors.

"Looking ahead, we foresee more homebuyers moving off the sidelines as lending rates continue to ease, resulting in a steady increase to recreational prices," said Von Teichman. "Given that inventory levels remain low, I predict an influx of demand could quickly put upward pressure on prices, as consumers feel more confident about the trajectory of the market and seek to benefit from lower borrowing costs."

Royal LePage is forecasting that the median price of a single-family detached home in Southern Georgian Bay will increase 10.0 per cent over the next 12 months.

Data chart – Royal LePage 2024 Winter Recreational Property Report: rlp.ca/table-2024-winter-recreational-report

ALBERTA

Canmore

The median price of a single-family detached home in Canmore's recreational property market for the first nine months of the year increased 4.4 per cent year over year to $1,670,000, while the median price of a condominium increased 9.8 per cent to $765,000. For those looking to buy a house or condominium adjacent to the Canmore Nordic Centre, prices typically start at $1,000,000 and $750,000, respectively. Total sales were down 3.6 per cent year over year in the region.

"Canmore continues to settle back to pre-pandemic sales volumes and price growth. Inventory levels have gradually risen this past year, yet we are still far below historical averages. This has helped to keep prices moving upward. The number of days listings are sitting on the market has increased modestly this past year, which – along with recent global geopolitical unrest and the lead up to the American presidential election – has contributed to slightly more balanced conditions as consumers adopt a wait-and-see approach," said Brad Hawker, associate broker, Royal LePage Solutions. "Many recreational and pre-retirement buyers in this market pay in cash and are therefore not overly-sensitive to interest rates. By and large, purchasers in this market are more than willing to wait for the right property to come along, regardless of rates."

Demand for recreational properties in Canmore continues to be driven by locals from Calgary, Edmonton and other surrounding Alberta communities, added Hawker. However, post-pandemic, the region does receive more interest from clients located in British Columbia, the Prairies, Ontario and as far as Quebec. A large portion of these buyers are looking for a property where they can enjoy an active retirement close to the slopes and outdoor amenities.

of access to downtown improves for owners and visitors," said Hawker. "I expect that local buyers will gradually move back into the market in the first half of next year, especially if we see interest rates fall another 100 to 125 basis points by mid-2025. Lower rates will also help to ease carrying costs for the small pool of homeowners that have some mortgage financing. In turn, this may encourage investors to purchase an additional legal short-term rental unit as their borrowing power improves."

Royal LePage is forecasting that the median price of a single-family detached home in Canmore will increase 3.5 per cent over the next 12 months, as balanced market conditions persist.

Data chart – Royal LePage 2024 Winter Recreational Property Report: rlp.ca/table-2024-winter-recreational-report

BRITISH COLUMBIA

In the first nine months of the year, the median price of a single-family detached home in British Columbia's popular ski regions decreased 2.6 per cent year over year to $1,729,200, while the median price of a condominium also decreased 2.6 per cent to $477,500. In the province's recreational market, the median price of a single-family detached home is forecast to increase 8.5 per cent over the next 12 months.

Whistler

The median price of a single-family detached home in Whistler's recreational property market for the first nine months of the year decreased 3.0 per cent year over year to $3,569,100, while the median price of a condominium decreased 12.4 per cent to $583,600. For those looking to buy a house or condominium slopeside or at mountain base, prices typically start at $3,000,000 and $500,000, respectively. Total sales were down 25.0 per cent year over year in the region.

"The Whistler market has experienced less demand and growing inventory lately, tilting market conditions in favour of the buyer and pushing prices down. Though we have experienced less snowfall than in previous years, buyers are still attracted to the region for the prolonged biking season," said Frank Ingham, associate broker, Royal LePage Sussex. "While the recent changes to the capital gains tax inclusion rate did not result in a sudden rush of transactions in most other markets, Whistler was a rare exception. Shortly after the announcement, I worked with multiple clients who became highly motivated to make a quick sale prior to the new legislation coming into effect. The increase to the capital gains inclusion rate was the catalyst for some clients to pull the trigger early on selling their winter property, or accept a lower offer price – that was previously off the table – in order to move a sale along."

Earlier this year, the B.C. government introduced stricter measures on short-term rentals. As a result of strict enforcement of rental laws, Ingham says that most clients are planning to use their recreational property for themselves and their families.

many will look to get ahead of a potential surge in prices in the spring."

Royal LePage is forecasting that the median price of a single-family detached home in Whistler will increase 9.0 per cent over the next 12 months, as falling interest rates encourage buyers back to the market.

Invermere

The median price of a single-family detached home in Invermere's recreational property market for the first nine months of the year increased 13.5 per cent year over year to $749,000, while the median price of a condominium increased 11.4 per cent to $344,900. For those looking to buy a house or condominium slopeside or at mountain base, prices typically start at $710,000 and $355,000, respectively. Total sales were down 6.4 per cent year over year in the region.

"Although Invermere's inventory levels are higher than in 2023, the region remains historically undersupplied, which has contributed to price growth this past year. Still, buyers have benefited from better selection and more wiggle room to negotiate. Since interest rates started to come down in June, we have noticed a gradual increase in demand," said Barry Benson, broker, Royal LePage Rockies West Realty. "Given our relative affordability and proximity to the Alberta border, many of our clients are from Calgary. As interest rates continue to dip lower over the coming months, we expect to receive more calls from our neighbours to the east. Borrowing power increases with every rate cut made by the Bank of Canada."

Benson added that Invermere recreational buyers like to have the option to lease out their properties for short-term rental purposes in order to offset ownership expenses. Similar to the resale market, the supply of rental homes in the region was higher than normal during the recent peak of mortgage costs.

"Reduced interest rates will put additional pressure on the limited supply that we currently have. Buyers are already making a return to the market to get ahead of further price increases," said Benson. "We forecast that this momentum will pick up speed heading into the spring."

Royal LePage is forecasting that the median price of a single-family detached home in Invermere will increase 10.0 per cent over the next 12 months.

Revelstoke

The median price of a single-family detached home in Revelstoke's recreational property market for the first nine months of the year increased 4.9 per cent year over year to $862,500, while the median price of a condominium increased 14.3 per cent to $802,000. For those looking to buy a house or condominium slopeside or at mountain base, prices typically start at $5,000,000 and $900,000, respectively. Inventory for slopeside houses is extremely limited in Revelstoke. Total sales were down 1.0 per cent year over year in the region.

home prices to surge in light of reduced inventory levels," said Don Teuton, broker and owner, Royal LePage Revelstoke. "Dwindling home supply has helped to keep home prices on an upward trajectory. Still, Revelstoke continues to provide recreational properties at a more accessible price point compared to other communities. Many of our clients come from within the province, in addition to Alberta and Ontario, seeking to enjoy the region's mountainous terrain, hiking and golfing opportunities."

Teuton added that demand for rental properties has remained steady. With interest rates now on a downward slide, rental hosts are feeling less pressure from heightened monthly carrying costs, resulting in improved return on investment.

"I expect we will see continuous demand for personal and rental properties in Revelstoke heading into 2025, especially as the cost of borrowing becomes cheaper," said Teuton. "However, this will put a strain on the low supply of affordable housing options, and upward pressure on prices."

Royal LePage is forecasting that the median price of a single-family detached home in Revelstoke will increase 5.0 per cent over the next 12 months.

Mount Washington

The median price of a single-family detached home in Mount Washington's recreational property market for the first nine months of the year increased 29.4 per cent year over year to $1,100,000, while the median price of a condominium decreased 1.1 per cent to $455,000.[7] For those looking to buy a house or condominium slopeside or at mountain base, prices typically start at $1,000,000 and $392,000, respectively. Total sales were down 6.3 per cent year over year in the region.

"While few homes trade hands in this region in any given year, we have seen a material increase in home prices with the launch of new construction projects, specifically single-family units that start above the $1 million mark. Inventory levels and days on market have been on the rise, giving homebuyers more options to choose from," said Val Wright, sales representative, Royal LePage In The Comox Valley. "Our market continues to see a generous portion of clients purchasing properties for short-term rental usage. Restrictions implemented by the provincial government this year do not impact the region, as land within mountain resort boundaries is often exempt under this legislation, and therefore have not curbed rental market activity. The majority of properties on Mount Washington are rented on a short-term basis when owners are not making use of their recreational homes."

Wright noted that recent changes to the capital gains tax triggered a number of inquiries from concerned clients about their property's value.

"Though we did not experience a great snow season last year, much like all ski resorts in British Columbia, warmer weather conditions have not had a material impact on buyer interest here. Locals on Vancouver Island continue to make up the majority of clients in our market, as skiing enthusiasts seek out the slopes of Mount Washington and the region's all-season recreational offerings," said Wright. "With interest rates expected to keep declining into the

Royal LePage is forecasting that the median price of a single-family detached home in Mount Washington will increase 2.0 per cent over the next 12 months.

Sun Peaks

The median price of a single-family detached home in Sun Peaks' recreational property market for the first nine months of the year decreased 30.1 per cent year over year to $1,337,500, while the median price of a condominium decreased 14.3 per cent to $360,000.[7] For those looking to buy a house or condominium slopeside or at mountain base, prices typically start at $1,748,500, and $310,000, respectively. Total sales were up 13.5 per cent year over year in the region, which is located outside Kamloops, British Columbia.

“Though there has been much frenzy over interest rates in the mainstream market, recent rate decreases have only had a modest impact on the Sun Peaks market, for now. The number of sales recorded in summer and early fall was higher in 2024 compared to the previous year. And, the average days on market has decreased slightly, signaling growing demand, though inventory remains well stocked,” said Kyle Panasuk, sales representative, Royal LePage Westwin Realty. “Despite this slow progress, it is an improvement from last year, when rising interest rates put a huge damper on home sales, and average days on market dramatically increased.”

Panasuk added that consumer demand is largely driven by local buyers from the Kamloops region. In addition to the area's hundreds of acres of skiable land, buyers are drawn to Sun Peaks for its alpine biking, hiking and golfing amenities.

“As interest rates continue to drop into early 2025, we expect that buying and selling activity will gradually ramp up as borrowing power increases,” said Panasuk. “This will put upward pressure on prices as consumers look to secure their winter getaway home.”

Royal LePage is forecasting that the median price of a single-family detached home in Sun Peaks will increase 5.0 per cent over the next 12 months, as lower interest rates accelerate buyer demand.

Big White

The median price of a single-family detached home in Big White's recreational property market for the first nine months of the year decreased 13.7 per cent year over year to $1,510,000, while the median price of a condominium decreased 22.1 per cent to $413,000. For those looking to buy a house or condominium slopeside or at mountain base, prices typically start at $875,000, and $200,000, respectively. Total sales were down 1.4 per cent year over year in the region, located outside Kelowna, British Columbia.

“Despite lower borrowing rates and ample inventory, we have seen little change in the number of properties trading hands over the last year, which tells us that buyers have taken a step back to evaluate broader turbulent economic conditions. Homes have been sitting on the market for longer, which has translated into price discounts for buyers in or are utilizing an alternative financing method, such as a Home Equity Line of Credit."

Cormier added that the region continues to attract investor clients looking for properties for rental purposes, as Big White is exempt from provincial short-term rental restrictions and the foreign buyer ban. Local families will often rent out their unit during peak periods, to help offset ownership costs, and use the unit for themselves throughout the remainder of the season.

"During the height of the COVID-19 pandemic, we saw an increase in locals purchasing, as fewer families vacationed outside the country. By choosing to stay in communities like Big White, they were able to work remotely and enjoy a slower pace of life. We expect this trend to persist as remote working remains the norm in many industries," said Cormier. "With the cost of borrowing expected to continue falling in the first half of 2025, this will coax some buyers off the sidelines as they feel greater reassurance about the economy and look to take advantage of available inventory."

Royal LePage is forecasting that the median price of a single-family detached home in Big White will increase 5.0 per cent over the next 12 months.

Data chart – Royal LePage 2024 Winter Recreational Property Report: rlp.ca/table-2024-winter-recreational-report

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About the Royal LePage Winter Recreational Property Report

The 2024 Royal LePage Winter Recreational Property Report compiles insights, data and forecasts from 18 popular ski regions. Median price and sales data was compiled and analyzed by Royal LePage for the periods between January 1, 2024 and September 30, 2024 and January 1, 2023 and September 30, 2023. Data was sourced through local brokerages and boards in each of the surveyed regions. Data availability is based on a transactional threshold and whether regional data is available using the report's standard housing types. 2023 price data may vary from the 2023 Winter Recreational Property Report as a result of updated transaction records from local real estate boards and a modified timeframe.

About Royal LePage

which has been dedicated to supporting women's shelters and domestic violence prevention programs for 25 years. Royal LePage is a Bridgemarq Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE. For more information, please visit www.royallepage.ca.

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[1] *Median price and sales data for 18 popular ski regions across Canada was compiled and analyzed by Royal LePage for the periods between January 1, 2024 and September 30, 2024, and January 1, 2023 and September 30, 2023. Data was sourced through local brokerages and boards in each of the surveyed regions. 2023 price data may vary from the 2023 Winter Recreational Property Report as a result of updated transaction records from local real estate boards and a modified timeframe.*

[2] *Bank of Canada makes supersized 50 basis point cut to overnight lending rate, Royal LePage, October 2024*

[3] *What you need to know about capital gains tax in 2024, Royal LePage, June 2024*

[4] *August hailstorm in Calgary results in nearly $2.8 billion in insured damage, Insurance Bureau of Canada, September 2024*

[5] *Cadre réglementaire sur les zones inondables : la CMM demande au gouvernement des modifications pour respecter les réalités du Grand Montréal, Communauté métropolitaine de Montréal (CMM), September 2024 (available in French only)*

[6] *Rebuilding after the wildfire: Parks Canada changes the Town of Jasper Land Use Policy, Government of Canada, October 2024*

[7] *Significant fluctuations in year-over-year price changes are due to low sales volumes, which are typical for the region.*