

LAKESHORE IN 2005

As our thoughts turn to summer fun, it is difficult not to dream of becoming a lakeshore owner.

We in Vernon, are most fortunate to have two extraordinary lakes to choose from.

Kalamalka (meaning the Lake of Many Colours) has a world class beauty and is closest to the city. Historically, this lake has fetched the highest prices. Currently there are three homes for sale on Kal Lake, ranging in price from \$375,000 to \$2.2 million. In the last several months, sale prices have ranged from \$375,000 for a condo to 2.7 million dollars for a luxury estate.

Okanagan Lake is the larger and more developed of the two lakes. Ownership on this lake gives you the bonus of being able to boat on a 90 mile long lake right from your dock. This lake touches three cities, Vernon, Kelowna and Penticton and picturesque points in between, like Okanagan Centre, Fintry and Summerland. Sale prices on this lake in the last six months have ranged from \$329,000 for a lakeshore condo to 3 million for a dream estate. Today, the homes that are on the market are asking from \$379,000 to \$1.45 million.

Finding a building lot on either lake is much more challenging. A total of five are currently for sale - four on Okanagan and one on Kal. The prices are from \$599,000 to \$745,000. I think it is safe to say that the day has arrived for buyers to buy up older lakeshore homes and then remove the houses to create places for their new home sites.

With this increase in lakeshore property values, property taxes have risen to the \$2,500 to \$9,000 range (approximately) and higher. The average lakeshore owner will probably be paying roughly \$4,000 to \$7,000 now. So, these are rapidly becoming properties for only wealthy people. I guess it was just a matter of time.

So, where is it going from here? The Outback was the only new lakeshore offering last year. We are almost at the end of the supply of developable lakeshore land. This pushes prices upward as the laws of supply and demand will always apply.

In a future column I will deal with some information on the basic rights and obligations of lakeshore ownership.

(All prices referred to in this article were sourced through the data of the Okanagan Mainline Real Estate Board.)

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