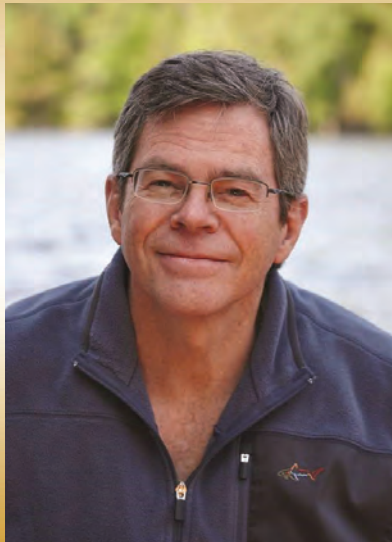
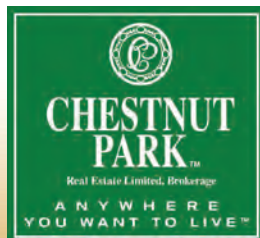




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MUSKOKA HAPPENINGS: YEAR END 2016

Muskoka enjoyed a spectacular, hot Summer season. I noticed more activity and visitors to the area than I've seen in at least 10 years. Ideal Autumn weather conditions have lasted into December.

Lake levels are being lowered in readiness for the winter season, to avoid flooding next Spring.

I've completed my new year-round cottage & boathouse on Lake Rosseau, in the same Bay where I've been cottaging since 1971. The landscaping will be finished next Spring. It's been an exciting, but at times stressful project!

If you are planning a renovation or new building project at your cottage, and would like a list of my recommended contractors & tradesmen, please call or send me an email.

Muskoka welcomed more American & European visitors during this year's summer tourist season, due to our relatively low Canadian dollar. The sagging Loonie may also eventually result in more Americans buying cottages in Muskoka

Please join your local cottage association if you're not already a member. These volunteer groups provide valuable programs to help you get more enjoyment out of your cottage. Their efforts can boost your property investment.

For Muskoka Lakes cottagers see www.mla.on.ca. For Lake of Bays cottagers go to www.loba.ca

It is my goal to know everything about our Muskoka cottage neighbourhood that affects the value of cottages like yours and mine. The following may advise you as to Muskoka's happenings during the recent Autumn months:

Recent Developments & Commercial Real Estate

The Port Carling community "Health Hub" has now opened. A Nurse Practitioner will treat minor illnesses and injuries for seasonal & year-round residents. The Health Hub is part of the "Brock & Willa Wellness Centre", located beside the Foodland. Fundraising efforts continue, with over \$1.5 Million raised of the \$2.0 Million total cost. Completed, the Centre will include a retirement residence & "Andy's House" Hospice. See; www.brockandwillawellnesscentre.com

Important decisions remain concerning the future of healthcare in Muskoka, given the ongoing Ontario funding crisis. Both the Bracebridge and Huntsville hospitals will need significant improvements & expansions within the next 15 years. Recently, the Muskoka-Algonquin Health Care Board (MAHC) voted to replace the 2 existing hospitals with 1 new facility, at a predicted cost of \$395 Million. The region cannot afford the \$540 Million cost of 2 new hospitals.

The site of this new hospital will be decided within 2 years. Both towns are lobbying to keep the hospital within their community. The Lake of Bays town council is officially supporting a hospital in the Huntsville area. The province has now appointed a mediator to coach all interest groups to create a framework for future hospital services in Muskoka.

The MAHC will have an accumulative \$5.4M budget deficit by year end, with a further deficit projected for 2017. These deficits are due to falling revenues and an amended provincial funding formula that favours high-volume urban hospitals.

A Lake Rosseau cottager has launched a \$900 Million class action suit against the Ontario Ministry of Natural Resources, following the damaging high water levels on the Muskoka area lakes this past Spring. The suit claims that the MNR was negligent for not following its own Muskoka River Management Plan that was designed in 2006. Countless docks & boathouses were severely damaged this Spring due to high water levels caused by melt runoff, ice jams, and heavy rains.

The District of Muskoka has seen its OPP costs increase from \$10 Million in 2014 to over \$15 Million for 2016, due to a new Provincial funding model. Annual property taxes will increase an average of \$70 per property. Townships with sparse populations such as Seguin, Muskoka Lakes and Lake of Bays pay proportionately higher policing costs than do towns such as Bracebridge. So far, delegations from these 3 Townships have failed to convince the District and the province to modify the model.

Continued on next page

In Bala, Swift River Energy Ltd has yet to begin construction on the power plant at the Bala Falls. Swift River could use the surrounding Crown lands and the Margaret Burgess park for storage of equipment during construction.

In The Township of Muskoka Lakes, the new comprehensive Zoning By-Law has been passed by Council. The waterfront setbacks for grandfathered cottages and decks have been increased. For info see: www.muskokalakelakes.ca

On the resort scene, most Muskoka resorts enjoyed a busy Summer season due to excellent weather. Lake Rosseau's Lakeside Lodge and The Rock golf course are actively for sale, while Cleavelands House is rumoured to be available.

Lake Joseph's iconic Sherwood Inn celebrated its 75th Anniversary last year. Their summer patio is a great spot for brunch or lunch, and the elegant dining room and lounge are open year-round.

The J.W. Marriott Lake Rosseau Resort has placed in Canada's Top 10 Resorts in a recent Conde Nast readers' poll.

On The Lake of Bays, historic Port Cunnington Lodge celebrated its 125th season. The Lodge retains its original charm, is very well cared for, and has been owned by just 2 families since its construction in 1890. See www.portcunnington.com

Also on The Lake of Bays, Bigwin Island Golf Club is introducing new "Club Cabins". Up to 50 of these smaller cottages, in 5 phases, will be built overlooking the course and clubhouse, becoming the focus of that growing cottage community.

On the Port Carling restaurant scene this summer, "Turtle Jack's" continued to dominate. On the waterfront beside the LCBO, "Grand Electric" and "Frankie's Surf Club" bar were summer hot-spots. "Loondocks" is again open for New Years Eve. Also in Port Carling, Ella's casual restaurant has unfortunately sold & was replaced by the more upscale "Cottage Bistro" open only for Summer service.

The Tim Horton's in Port finally opened in December beside Foodland, employing 25 full-and-part-time employees. It is unclear as to whether there will be a traffic light installed on Highway 118.

In Baysville on The Lake of Bays, the Cast Iron Restaurant had a very popular summer.

In Bracebridge, a new Irish restaurant, "Kelly's Kitchen Pub", has opened at the south end of the main (Manitoba) street. It features a wide choice of Irish beers, plus some authentic Irish dishes. The Mexican restaurant "El Pueblito" is still proving very popular after its 2nd summer. The "Riverwalk" restaurant overlooking the Falls continues to offer quality, innovative cuisine in a romantic setting. Riverwalk's owner David Friesen has opened a new Italianate restaurant named "Pasta Tree & Smokehouse" in the renovated Quality Inn (formerly Riverside Inn).



*Represented the Purchaser

If you wish to receive this newsletter via email, please contact me at perammond@muskoka.com

Not intended to solicit properties already listed for sale.
If you do not want to receive future newsletters please contact me at perammond@muskoka.com

MY 2016 MUSKOKA SALES

SOLD: LAKE JOSEPH Desirable "Topajo" locale. Fabulous 640 ft classic rock shoreline: clear deep water. Luxurious, newer 7-bedroom cottage for family & friends to enjoy year-round. 2-story boathouse with guest suite. Sports-Court, garage & sauna. Listed at \$6,490,000.

SOLD: LAKE MUSKOKA Perfect location: rarely-offered East Bay/ Renley Road locale. Sunset Western views & 285 ft private shoreline. Spectacular newer "Tamarack-built" 4-bedroom luxe cottage & boathouse. Listed at \$3,649,000.

SOLD: LAKE ROSSEAU Incredible Lake views & privacy with over 500 feet of treed shoreline. Character-filled year-round cottage, ideal for family visits. North lake locale; minutes to historic Rosseau village & Marriott resort. Listed at \$3,295,000.*

SOLD: LAKE ROSSEAU Rare offering of entire "Caledonia Island" offers 360 * views & sun. Prime locale, minutes to Windermere & The Ports. Immaculate cedar & glass main cottage, plus 2 guest cottages & boathouse. Listed at \$3,295,000.

SOLD: LAKE OF BAYS Almost 1,200 feet frontage both shallow sand & deeper water. Longest Southeast views to protected Pt Cunnington shore & Bigwin. South Portage Road locale; Minutes to Huntsville & Baysville. Listed at \$2,950,000.

SOLD: GEORGIAN BAY Enjoy 1,300 ft of classic Bay shoreline; also 2 private picnic isles. Convenient & private Tadenac Bay area; just 2 hours from the City. Listed at \$2,950,000.

SOLD: LAKE OF BAYS 400 feet hard-packed sand beach, open SW views, acres of privacy. Renovated & winterized 1910 charming Olde Muskoka cottage. Substantial deep-water docks and extensive boathouse. Listed at \$1,795,000.*

SOLD: LAKE MUSKOKA Coveted Beaumaris/ Milford Bay location. Authentic, character-filled Olde Muskoka bungalow circa 1938. 2-slip boathouse w/ guest accommodations atop. Listed at \$1,789,000.

SOLD: LAKE ROSSEAU Beautiful vacant building lot offers 350 feet shoreline. Build your dream cottage & luxe boathouse here. Minutes to Rosseau village by car or boat. Offered at \$1,495,000.

SOLD: LAKE ROSSEAU Entire island offering: Picnic (aka Channel) Island. Several choice building sites. Short boat ride to Rosseau Village. Listed at \$1,395,000.

SOLD: LAKE MUSKOKA Ideal Pennwood Rd locale. 190 feet perfect S/W shore. Build your new dream cottage & boathouse here. Listed at \$1,195,000.

SOLD: LAKE ROSSEAU Central location; Royal Muskoka; 155 ft friendly shoreline, due-south exposure. 4-bedroom summer cottage & kids' bunkie. Listed at \$969,000.

SOLD: LAKE ROSSEAU Royal Muskoka; great road access. Newer steel docks & quality single-slip boathouse. Older cottage to renovate/replace. Listed at \$895,000.

SOLD: LAKE ROSSEAU Royal Muskoka; 104 ft shoreline West exposure for sunset views. Older contemporary cottage w/ large deck. Listed at \$719,000.

MY 2017 COTTAGE REAL ESTATE LISTINGS TO DATE

LAKE OF BAYS



*Historic & unique "Langmaids Island": 1st time offered in your lifetime. 140 acres in size; approx. 3 miles of spectacular shoreline. 2 Caribbean sand beaches, dramatic granite jumping rocks, etc. Walking trails, private mainland landing. Create your ultimate family vacation destination.
Listed at \$14,950,000.*

BRUCE LAKE



Central Muskoka's ultimate small-lake estate. 420 feet of SouthWest shore; 32 forested acres of privacy. Minutes to Marriott Resort, Ports Sandfield & Carling. Luxurious, furnished 7,500

*sq ft 4-season vacation home. Beautiful 2-slip, 2-story boathouse for guests.
Listed at \$2,995,000.*

LAKE ROSSEAU



Olde Muskoka Bungalow to renovate or replace. Enjoy 250 ft clean deep-water shoreline w/2 docks. Spectacular, elevated NorthWest Sunset views. Coveted locale minutes to Port Carling. Walk or golf-cart

*to Muskoka Lakes Golf & Country Club.
Exclusive at \$1,395,000.*



WEST BUCK LAKE



Own an entire, private 60-acre Lake withing 400 forested acres. 4 separate waterfront lots for family or friends. Ideal for fishing/canoeing etc. Road access + Hydro, only 20 mins. to Bracebridge.

Asking \$1,350,000 + HST.

LAKE OF BAYS



Family cottage in desirable "GreenPoint" locale. Enjoy 225 ft clean shoreline, both shallow & deep waters. Long west/ Sunset views across Lake. Cottage is Viceroy-style, with 4 bedrooms & 2 baths. Newer kitchen/baths/etc,

*plus unfinished lower level.
Listed at \$1,095,000.*

BRUCE LAKE



Rarely available vacant building lot. 400 feet of ideal shore; shallow & deep water. Approximately 4 acres of forest. Year-round road; minutes to Marriott Resort, Pt Sandfield etc. Build your dream cottage here.

Listed at \$599,000.

LAKE MUSKOKA; MILFORD BAY



*Level 2.5-acre lot offers 55 feet of shoreline on Lake Muskoka. Ideal as a mainland Jump-Off for Beaumaris-area Islanders. Convenient to Bracebridge and Port Carling.
Asking \$195,000.*



FOR DETAILS ON THESE PROPERTIES, OR FOR A CONFIDENTIAL
MARKET EVALUATION OF YOUR COTTAGE,
CONTACT ME AT 705-646-8129 or perammond@muskoka.com

2017 Cottage Market Forecast

Time flies: 2016 was my 20th year as a Chestnut Park realtor in Muskoka. This was my busiest year ever, with over \$30 Million in sales. My career sales of cottage properties now exceed 175 properties and \$215 Million. I am the only Chestnut Park agent that actively works in both The Muskoka Lakes & The Lake of Bays markets. Approximately 80% of my sales are now comprised of repeat and referral clients. Thank you for your ongoing support!

Chestnut Park is the exclusive Muskoka affiliate for "Christie's International Real Estate". The Christie's connection has added proven global marketing reach to our Muskoka cottage listings, via the popular Christie's website & magazine.

Chestnut Park's team of Muskoka agents has again outpaced the market for 2016, and increased the Brokerage's market share. Chestnut Park continues to dominate the mid and high-end cottage market segments in Muskoka.

On The Muskoka Lakes, the total number of cottage transactions for 2016 year-to-date showed a 13% increase over already-excellent 2015 results, while available cottage inventory declined by 16% YTD. The average sale price of a property rose slightly.

The 2016 high-end Muskoka Lakes segment saw 60 property sales over \$2 Million, easily beating the record-48 properties that sold in this segment last year. 13 of these 2016 sales were in excess of \$4 Million, including 2 sales over \$9 Million each, indicating that this group of buyers may be more insulated from the current economic uncertainties. 5 of these 60 sales were Island properties. This high-end Island segment started to revive last year after being near-dormant since 2007. Entire Islands proved popular this year, offering the ultimate in privacy. I sold 2 private Islands in 2016.

The Lake of Bays area saw 2016 cottage transactions rise 25% YTD over healthy 2015 results. Inventory levels remained static. The average sale price shot up 83%, as the high-end segment saw 6 sales over \$2 Million each, compared to 3 sales in this segment in 2015. This is encouraging, as a sale over \$2 Million is a rarity on the Lake. In my opinion, the demand exists for newer luxurious cottages on this Lake, but the supply is weak and listing prices are often unrealistic.

This strong high-end activity could indicate that this group of buyers is confident in the economic recovery, or that they see Muskoka properties as a safe component in their asset portfolios. Expect this high-end sales activity to continue in 2017, barring a global economic meltdown.

If the 2016 Muskoka market forces of increased demand & lower supply continue into 2017, expect a noticeable rise in average sale prices of cottages. Properties on Islands and smaller Lakes will also see increases in market activity & values. Thus far, we haven't seen the continued run-up in prices since 2008 that some areas of Toronto have enjoyed, as we don't have the offshore or investment buyers prevalent in Toronto.

The effect of Donald Trump's Presidency on the Canadian economy is still unknown. Our Muskoka cottage market remains very much influenced by buyer's confidence levels, and by the health of the world's equity markets.

As I predicted, many of my recent buyers have been existing cottagers looking to upgrade to a larger property or different location; they were seeking the "ideal" property and thus didn't make urgent decisions. Expect this trend to continue into 2017 and beyond as baby boomers "mature".

In 2015 & 2016, we saw numerous "ex-pat" cottage buyers: Canadians living in the U.S., Europe & Asia, and thus earning Euros and American dollars. They know Muskoka, and want to secure a cottage to enjoy upon their return to Canada. They're buying now with the depressed Loonie. I expect this buying trend to continue until the Loonie rebounds.

For 2017, expect the active Muskoka market to continue, with growth in both volume of cottage transactions and average selling prices exceeding 6%. I predict the market segment above \$2 Million will remain buoyant, as the Muskoka region continues to be in favour amongst high net-worth buyers.

Do you know what your cottage is worth in our evolving 2016-17 market? Call me for a complimentary evaluation without obligation. I currently have qualified clients wishing to purchase cottages and vacant lots on Lakes Rosseau, Joseph, Muskoka, Skeleton and The Lake of Bays.