

Lake Simcoe Waterfront Real Estate Market: Mid-Year 2024 Report Shows a Significant Decline in Sales and Prices

The Lake Simcoe Waterfront Real Estate Report Shows a 24% Decrease in Sales From 2024 and a Steep 71.2% Drop From Market Peak in 2021.

TORONTO, ONTARIO, CANADA, August 9, 2024 /EINPresswire.com/ -- The [Lake Simcoe waterfront real estate market](#) has experienced a significant downturn in the first half of 2024, according to a recent report by "City House Country Home," a team within Chestnut Park Real Estate Limited. Known for providing reliable sales data on recreational properties since 2010, the team delayed its usual quarterly reporting this year due to limited sales activity in the first quarter.



Market Overview

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Roxanne Finn, Broker

The report highlights a continued decline in sales throughout the first half of 2024, with only 38 sales recorded, a 24% decrease from 2023 and a steep 71.2% drop from the market peak in 2021. The first quarter saw a total of 13 sales, with activity spread across Georgina, Ramara, Oro-Medonte, Orillia, and Innisfil.

Factors Influencing the Market

Several economic and political factors have been identified as contributing to the sluggish market:

- **Rising Interest Rates:** Higher rates have made financing less affordable, deterring potential buyers.
- **Increased Cost of Living:** With household budgets under strain, discretionary purchases like vacation properties are being reconsidered.

- Political and Economic Uncertainty: Ongoing uncertainty has led to cautiousness among potential buyers.

Luxury Market Struggles

Even high-net-worth individuals (HNWIs), typically less affected by interest rate hikes, have shown reluctance to purchase luxury properties on Lake Simcoe. The report notes that while many luxury buyers prefer using liquid assets for real estate transactions, there has been a significant slowdown in sales. Currently, there are 65 luxury waterfront homes listed, making up half of the active listings in the region, yet sales remain sluggish.

In the first half of 2024, only 24% of total sales were at or above \$2 million, compared to 58% in 2023. Prices across all lakefront communities have dropped, with an average year-over-year decline of 11.3%.

Future Outlook

Despite the current challenges, there is cautious optimism for a modest recovery in the fall of 2024. The Canadian Real Estate Association (CREA) forecasts a 6.1% increase in home sales for the year, with a 2.5% rise in the national average home price. Long-term property value growth remains strong, particularly for properties held since 2019, which have appreciated by 30%.

Conclusion

The Lake Simcoe waterfront real estate market is currently facing a challenging period, with significant declines in both sales and prices. However, with long-term value growth and a potential recovery on the horizon, there may be opportunities for savvy investors and buyers.

For more information or to obtain the full report, please contact Roxanne Finn at Roxanne@Chestnutpark.com.

About City House Country Home

City House Country Home is a trusted real estate team within Chestnut Park Real Estate Limited, specializing in recreational properties in the Lake Simcoe region. The team has been providing accurate and reliable market data since 2010.

Note: This report excludes canal and riverfront properties, focusing solely on direct and indirect lakefront properties on Lake Simcoe and Lake Couchiching.

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