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OUR TEAM YOUR DREAM



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# LUXURY WATERFRONT REAL ESTATE



**Buying  
& Selling**

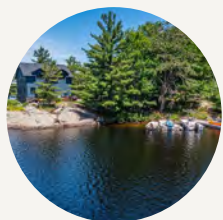


# Key Factors For Buying & Selling



## Land

Characteristics of the land.



## The Nitty Gritty

Financing, water quality, home inspections, zoning and septic system.

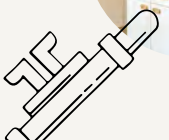


## Staging

Why is it important? How can it increase the value of your sale?

1. LAND CHARACTERISTICS It's often said you can change the cottage but you can't change the land. When Buying or Selling waterfront property these are the key characteristics:

- a. ACCESS: Is the waterfront property accessible by car or only by boat. If by car, is the road privately maintained by a Cottage Road Association with summer/winter fees or is it on a year round municipal Road. If access is by boat, where is the nearest boat launch and is there a landing, docking and parking area included with property.
- b. LAY OF LAND/ TOPOGRAPHY: Is the property located on a flat level lot or a steep lot requiring multiple steps to access the shoreline.
- c. VIEW: Does the property feature long lake views, island dotted views or is it located in a narrow channel or river with other nearby cottages across the way.
- d. PRIVACY: Similar to view issues: does the property feature a longer shoreline to preserve privacy from neighbours or perhaps the property is located in a congested bay versus a private point of Land.
- e. SUN EXPOSURE: If you want sunset you will need a cottage that includes some western exposure ie. W, NW or SW. If you like morning sun, find a cottage that includes some Eastern Exposure in the view. South is typically all day sun and North is typically only sunny for part of the Day.
- f. NEIGHBOURHOOD: Many lakes, neighbourhoods & nearby towns are known for their sense of community (e.g., North Lake Joseph Cottagers Association) and properties that are part of these communities are often highly desirable.





2. WATER QUALITY: Most waterfront properties are not serviced by municipal water, so cottagers opt to have drilled wells installed to provide drinking water or will draw water from the lake and treat this with reverse osmosis, sediment filters &/or UV light system. It's also important to understand the swimability of the water!

3. HOME INSPECTIONS: As a buyer or a Seller, engaging a home inspector prior to final sale of a property is an essential part of due diligence for a cottage. Sellers who offer a recent home inspection report help put a potential Buyer's mind at ease when considering purchasing a waterfront property. In the absence of a home inspection or in addition to the Seller's home inspection report, including a Buyer's Home inspection condition on the sale of a property is considered best practices when submitting a conditional offer.

4. MORTGAGE FINANCING: Given the recent increases in interest rates, we are seeing more vendor take-back (VTB) mortgages becoming increasingly popular in 2023, and possibly beyond, as banks lower their risk profiles and appraisers revert back to pre-pandemic comparables amidst falling property prices. If a Seller of a waterfront property has high equity in a property and has it designated as a second or recreational property, offering to help a buyer finance his or her property may allow the Seller to prorate taxes due on capital gains on the sale over a few years while also earning interest income over that period. A VTB is also a potential "Win/Win" scenario for Buyer's as it allows them to secure first or second mortgage financing on a recreational property at competitive rates.

5. ZONING BYLAWS, EASEMENTS, SHORE ROAD ALLOWANCES & SURVEYS: Knowing the local zoning bylaws is another important aspect of due diligence for a waterfront property. For both Sellers and prospective buyers, knowing what zoning bylaws affect a given property is an essential part of due diligence. For example, knowing if the property has closed its shore road allowance (SRA) is necessary for most shoreline enhancements such as boathouses and some dockage systems. Local municipal setbacks from back, side and high water mark shoreline of the property are important if you are planning to change or develop the property. Understanding the impact of Environmentally Protected Areas (EPA) on a property can constrain what an owner can do with a property. Easements affect who can access or cross over a given property. Surveyors Real Property report surveys, Municipal Planning Offices, Planning consultants & Real Estate lawyers are often used to clarify zoning bylaws & easements prior to the purchase or alteration of a property.

6. SEPTIC SYSTEMS: Most waterfront Cottages are not connected to municipal Sewers so standalone septic systems are often installed. These systems require regular maintenance and must conform to municipal bylaws for safe and environmentally compliant waste treatment. The Seller should provide copies of Septic Final and regular inspections/dates of pumpouts etc to satisfy the Buyer that the System is operating properly. Further, the sizing of septic tanks and beds must meet the septic bylaws for water appliances and bedrooms for the property. If your system is rated for 4 bedrooms and you plan to renovate and add another bedroom, you will need to confirm that the current septic system has the increased processing capacity or the system may require expansion or other upgrades.



7. STAGING: While staging has been accepted as a normal part of urban and suburban real estate for years, interior and even exterior staging has become best practice in cottage country over the past 5 years. Interior staging is similar to standard urban and suburban staging of homes in that the Seller or their Realtor will engage a stager to add new furniture, paintings and fixtures to convey an updated vision for the property and command a premium sale price for the property. Exterior staging of a waterfront property often involves landscaping to include stone or wood pathways, new docking, outdoor furniture and gardens to enhance the exterior appearance of property. Special emphasis is placed on enhancing the shoreline. For Buyer's looking to purchase a waterfront property, exterior staging of a property allows them to imagine the overall experience of the property.

8. CHATTELS: Historically, cottage sales would include furniture and most Chattels with the purchase. This practice has changed in recent years as Sellers in affluent pockets of cottage country such as Muskoka and other prestigious Lake Districts are building multi-million dollar lake houses and spending hundreds of thousands of dollars to furnish and decorate them. As a result, Sellers of these properties today are often reluctant to include their furnishings and this becomes an essential part of the negotiation process especially for the Buyer who may be looking to buy a turn-key lakefront property. To help manage expectations on both sides, it is important that all Buyer offers include a detailed Chattels/Furnishings inclusions or exclusions Schedule. When listing a property for sale, the Seller's Realtor may advise that the List Price include additional financial consideration for selling the property fully furnished.



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