

Who is Buying Recreational Real Estate?

Around the country, the pace of recreational real estate sales is increasing, and with demand on the upswing, there are signs that prices may soon be on the rise. That's the upshot from midyear reports by the recreational real estate experts in the Potlatch Preferred Broker Network, marking the continuation of 2013 trends recently reported by the National Association of Realtors.

The NAR report noted that vacation-home sales jumped 29.7 percent to an estimated 717,000 last year, compared to 553,000 in 2012. NAR's estimates are based on responses from households, and do not include activity by institutional investors.

The sales improvement was no surprise to NAR Chief Economist Lawrence Yun. "Growth in the equity markets has greatly benefited high net-worth households, thereby providing the wherewithal and confidence to purchase recreational property," he said in an NAR news release.

With this in mind, here are five trends Potlatch brokers are seeing in the market:

1. With the economy improving, more people have decided it's time to buy. "Many people feel more secure in their jobs, and more confident they can make investments," said Rick Musick of [United Country Musick & Sons](#) in Grangeville, Idaho.
2. Recreational property continues to be a popular option for investing for the future. "The recession put a lot of dreams and aspirations on hold, and now, after recovering some of their losses in the stock market, people want to convert some equity into tangible assets," said Rod Osterloh of [Close~Converse Properties](#) in Brainerd, Minnesota.
3. To take advantage of recreational opportunities, buying property in the Fall makes a lot of sense. "Fall is always a strong season for buying," Musick said. "People want to hunt in the fall, and it's very appealing to have your own property to hunt on and have access to government-owned or public land."
4. Potlatch brokers are seeing more activity from younger buyers. "There has always been a lot of interest from folks nearing retirement," Musick said, "but we are seeing more younger people who want to buy a place while they are still working so they can pay it off over time."
5. Pricing of recreational properties is showing signs that increases are on the horizon. "There are more people in the market looking for land and taking advantage of the lower prices," Osterloh said, "and many are expecting the improving economy and demand to start driving up prices."

For more information about where the real estate market is heading, and to find a property that will be a great fit for you, [contact a Potlatch Preferred Broker](#).