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.

“There are more people in the market looking for land and taking advantage of the lower prices.”

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...
Frequently in the field showing land, we wanted to know:

“What’s your funniest or most unusual/interesting site visit story?”

We loved the responses to this question so much in the last issue – we asked it again!

Arkansas

Pete Prutzman, Kingwood Forestry Services
Arkadelphia, Arkansas

Sometimes a routine site visit can turn into something special. That’s what happened when Pottlatch Preferred Broker Pete Prutzman took an elderly lady and her two adult sons on a visit to the property his company managed for them.

Although the lady had owned the land for many years, she’d never seen a logging operation in action and unbeknownst to Prutzman, she’d always longed to see one.

It just so happened in the course of their tour that they came upon a timber harvest.

“Tired over and introduced myself to the crew,” Prutzman recalls. “I asked if they would mind if we watched from a safe distance and they were happy to oblige.”

His client was thrilled. They watched the loggers at work and her sons snapped several pictures before they continued with the site visit.

Pruzman says his client still talks about that special day. “It made a beautiful memory for her and her sons.”

Idaho

Rick Musick, United Country-Musick & Sons
Grangeville, Idaho

Over the years, Musick has learned that his clients’ definitions of “remote property” can vary greatly. “I know a client doesn’t really want remote property when we venture a few miles outside the city and a couple miles off paved roads and the client turns to look at me with big eyes,” he says.

Musick says while some clients gravitate toward one idea of remote - “if you can see smoke from a neighbor’s chimney it’s too crowded” - others prefer to have their neighbors, paved roads and available amenities a bit closer. He’s also found that people have varying definitions of “garden” and “ranch.” Some folks may just want space to put in a few raised beds, while others want acres to plow and plant. Ranch can mean anything from room for a horse to room for a few dozen head of cattle.

“It’s all part of a broker’s job to help customers define what they need by asking the right questions,” says Musick.

And the customers who were dismayed when they ventured off paved roads?

Musick chuckles. “We just found another a less ‘remote’ piece of property for them to look at,” he says.

Minnesota

Natalie Cowart, United Country Real Estate
Banning Junction, Minnesota

For Cowart, the best type of site visit is one that includes 4-wheelers, families, and beautiful fall days.

“There are so many young people who haven’t had the opportunity to 4-wheel, much less get out into the trails that the hunting recreational parcels have,” she says. “It’s great to see their expressions as we drive through hillsides, dense woods, over trees in the path, going through wet areas and seeing the wildlife.”

Cowart counts it as a privilege to show off the beauty of the Minnesota backwoods to families looking for their own piece of country quiet.

“It’s fulfilling to me to know that the buyers have been given a great tour and view of the potential purchase,” she says. “Whether it’s walking or 4-wheeling through the woods - fall is my favorite season to show what being up north is all about!”

Charlie Chernak

Broker in the Woods:

Living and working in Ely, Minnesota, he has plentiful opportunities to indulge in his favorite hobby. Deer hunting is hugely popular in Minnesota. “When deer season arrives everybody gets really excited and is raring to go!” he says.

Chernak has also hunted big game, including a memorable elk-hunting excursion via horseback in Colorado.

But his most thrilling hunt was right in Minnesota. Though you currently can’t hunt moose, for many years the state had a lottery-like system for moose hunts. In 2001, Chernak’s number was selected. “I shot a big bull moose from a canoe,” he recalls. “There were two of us and it took four hours to get him cleaned up, quartered and off the riverbank.”

While he still loves hunting, his experience of it has evolved over the years. When his daughters were young, his deer hunting skills helped put meat on the table. “Now, I’m more of a trophy hunter,” he says.

In fact, Chernak gets just as much enjoyment in seeing other people get their deer as he does when he gets his own.

He hunts with his brother, cousins and a close circle of friends. “I’ve hunted with a lot of these people 30 to 40 years,” he says.

Before becoming a broker, Chernak worked for many years as a land surveyor for the Forest Service in Ely. His knowledge of the area and his lifelong love of the outdoors has been an asset when showing property to prospective buyers.

The camaraderie he’s experienced hunting in the backcountry is why he encourages clients to think about land purchase as a legacy generations of family members can benefit from.

He says, “I truly enjoy my time in the woods.”
Year after year, people from around the world seek out Idaho for recreation, and many decide they want their own recreational property.

So what is it about Idaho that makes it so popular for recreational property buyers?

“For recreation, we have something for everybody,” said Rick Musick of United Country Musick & Sons in Grangeville, Idaho, a member of the Potlatch Preferred Broker Network. As examples, there are plentiful opportunities for hunting whitetail and mule deer, elk, cougar, bear or turkey.

The Clearwater River and Salmon River offer some of the best steelhead trout fishing in the world. And beyond hunting and fishing, the state is a tremendous location for snowmobiling, ATVs, skiing, biking, whitewater rafting, and hiking.

The state’s small towns offer a respite from the hustle and bustle of city living, while people can pick from among a wide range of difficulty levels in their activities.

As an example, the Visit Idaho blog recently wrote an item about five kid-friendly hikes in the Stanley and McCall areas. For rafting, Idaho has more white-water river miles than any other state in the lower 48 states. But Idaho recreation doesn’t only involve roughing it. A number of culinary festivals offer “foodies” an opportunity to sample foods and wines the state produces.

“There are a lot of different ways to recreate here in Idaho, and four seasons in which to do it,” said Bob Crawford of Crawford Olson Real Estate Services in McCall, Idaho. 

And whatever your passion - hunting, fishing, wake surfing, hiking, skiing, camping, the list goes on - the access to it is unparalleled. I can Nordic ski in the morning and be at work by 10 a.m.”

To establish a home base for recreational activities, many Idaho visitors are realizing that owning a tract of land offers a number of advantages.

“It’s getting more difficult to find long-term opportunities to stay at campgrounds,” Musick said. “Also, in many areas, there are more hunting restrictions on government land, making owning your own property appealing.”

For many buyers, having 20 to 50 acres of your own can provide access to hundreds of thousands of acres of property with excellent hunting opportunities. Some Potlatch properties are near government land, and many adjoin other Potlatch properties where it’s possible to get a permit for hunting.

And when Musick and Crawford talk to buyers who are looking for property, they hear that Idaho also has another advantage.

In many areas of the state, there many properties for sale without covenants, conditions and restrictions (CCRs), meaning that an owner does not have to get permission to make improvements on his property.

“There are a lot of different ways to recreate here in Idaho, and four seasons in which to do it.”

-Bob Crawford
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.