

A family of four is walking away from the camera on a wooden boardwalk that leads towards the ocean. The father is on the left, wearing a white shirt and shorts, carrying a blue and white striped bag. The mother is on the right, wearing a pink dress. A young child is walking between them. The boardwalk is made of light-colored wooden planks and is flanked by tall, green grass. In the background, the ocean is visible under a bright, cloudy sky. The overall mood is peaceful and scenic.

# From Sea to Shining Sea

**We explore current trends in luxury waterfront living across 14 markets in the U.S., Canada and the Caribbean.**

**By Sarah Binder**

**B**ays and lakes. Reservoirs and rivers. Oceans and seas. From the Atlantic to the Pacific, the myriad options for luxury waterfront living in North America are as different as a man-made reservoir in the middle of Texas is from Paradise Island in the Bahamas. Whether one encounters a buyer's or a seller's market depends on the selected location; however, one trend never changes. Homeowners desire to live on or near water just as much, if not more, as their ancestors once did.

## **Halifax, Nova Scotia**

Known affectionately as "Canada's Ocean Playground," Nova Scotia and its capital, Halifax, entice relocaters and second-home buyers with ease of access, sheer natural beauty, and a plethora of activities. More than 532 trails and pathways, 33 beaches and 878 parks provide residents with ample recreational opportunities including sailing, fishing, kayaking, cycling and walking, explains Mariana Cowan of Coldwell Banker Supercity Realty.



With one of the largest harbors in the world and fast connectivity to Toronto, New York and Europe, Halifax is a major business center. Cowan expects recent developments to have a positive impact on the luxury market, which currently is a buyer's market with an abundance of inventory and many properties selling below appraised value.

"The federal government announced an \$11.9 billion, five-year commitment to infrastructure for our city," she says. "Also, the CAT ferry service from Yarmouth, Nova Scotia, to Portland, Maine, resumed its service after six years away. This will create more employment opportunities and give a healthy boost to tourism in our region."

Despite a slow-paced market, signs of improvement are emerging. "Sales are marginally increasing for June," Cowan notes. "In the past six months, two properties in the south end of Halifax have sold at \$4 million to \$5 million."

### Lakes Region, New Hampshire

Surrounding Winnisquam Lake, Squam Lake and Newfound Lake, New Hampshire's idyllic Lakes Region is marked by the crown jewel, Lake Winnepesaukee, the largest in the state at 69 square miles. Here, daily decisions may include whether to fish, read by a fire, explore quaint New England villages or savor fresh, clean air on a leisurely stroll.

In contrast to the relaxed way of life in this family oriented region, the pace of luxury waterfront sales is swift.

"Waterfront listings are still pretty plentiful, but the excess inventory is rapidly being sold," explains Chip Maxfield, president and co-owner of Maxfield Real Estate. "This means that higher prices are just around the corner."

Buyers, largely from the greater Boston area due to a brief two-hour driving time, have spurred a 35-percent increase in waterfront sales volume last year, according to Maxfield.

On Lake Winnepesaukee, \$1 million to \$2 million

is the most popular price range, he notes. At the opposite end of the spectrum, "currently there are four properties over \$10 million, with the highest listed for \$16 million." The \$16 million price tag will fetch an architecturally designed residence on a 6-acre parcel with 420 feet of waterfront, and both mountain and lake views.

### Dallas and Fort Worth, Texas

For luxury buyers seeking a vibrant lifestyle, Dallas and Fort Worth's sizable lakes and reservoirs offer waterfront living in proximity to metropolitan amenities such as high-end shopping, fine dining and cultural pursuits.

"The waterfront market in the Dallas/Fort Worth area is always healthy, as there are a limited amount of waterfront properties. Therefore, demand typically exceeds supply," explains Aidan Flores, a broker and Realtor with Coldwell Banker Residential Brokerage.

With just one natural lake in the state, Caddo Lake, located a few hours east of Dallas, buyers focus on the many man-made reservoirs. Those that allow buyers to maximize their luxury waterfront experiences with private boat docks are most desirable,

Flores notes that listings over \$1 million are common. "Sales of waterfront homes should remain steady during the remainder of the year, especially if they are marketed correctly by a waterfront property expert," he says.

### Venice Beach and Marina del Rey, California

With Google and Snapchat offices located in Venice, just two of hundreds of technology companies that have earned Los Angeles' Westside region the moniker of Silicon Beach, it is no wonder that the business boom continues to propel property values and result in very limited oceanfront inventory.

"Oceanfront homes and condos increased in price about 24 and 17 percent in the past year, respectively," says Tami Halton Pardee, founder and CEO of Halton Pardee + Partners. Prices range widely from \$2.2 million to \$40 million; although the area's smaller property lots reach a more common ceiling of \$15 million, she says.

Outdoor concerts and boat parades exemplify the energetic lifestyle, while the marina is a boater's paradise, holding the designation as North America's largest man-made small craft harbor with 5,246 boat slips. Oceanfront buyers enjoy Venice's wide beach,

which allows homes to be set back from the water.

In addition to local interest from Los Angeles, a healthy amount of buyers come to Venice Beach and Marina del Rey from New York City. "They like our city vibe on the ocean," Pardee explains.

### Hilton Head Island, South Carolina

Hilton Head Island is in the midst of a remarkable renaissance while maintaining its distinctive charm. In the last few years, the area has experienced a surge of redevelopment, with more than half a billion in investment and re-

development in real estate, resorts and new dining and entertainment options, according to Wayne McDonald, broker in charge at Premier Island Properties.

Despite the focus on new infrastructure, this



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says Flores. These include Lake Ray Hubbard, Possum Kingdom Lake, Lake Cypress Springs, Grandbury Lake, Eagle Mountain Lake, Cedar Creek Lake, Lake Fork and Lake Tawakoni.





Lake Burton, Georgia

12-mile barrier island retains the character that earns it recognition as one of Travel + Leisure's America's Favorite Towns and World's Friendliest Islands.

"Buildings must blend with the color palette of nature," explains McDonald. "There are no streetlights on the island; the founding fathers believed you should be able to see the stars at night and that rule still holds true today."

The island's unique atmosphere beckons many waterfront buyers, who find waterfront homes priced from \$2 million to \$12 million.

"Our current inventory is becoming absorbed quickly," says McDonald. "There is a scarcity of ocean-front lots. Buyers are tearing down older properties and building their home within a few years of purchase."

With more than 2.6 million visitors each year, McDonald expects 2016 sales to surpass those of last year. "Today's travelers are tomorrow's residents," he says. "People have a love affair with the Lowcountry and many choose to stay."

#### Lake Burton, Georgia

Just 90 minutes from the greater Atlanta area, Lake Burton has long been the outdoor playground of choice for city residents seeking to enjoy crystal-clear waters and activities such as golfing and hiking the nearby Appalachian Trail. Recently, two distinct groups have emerged to take advantage of lakefront listings ranging from \$479,000 to \$5.9 million.

"Lately, we have been seeing a lot of younger

buyers from the booming Atlanta technology industry, along with many buyers from Florida who want to escape [their state's] heat," explains Julie Barnett, a Realtor with Harry Norman, Realtors - Luxury Lake and Mountain.

Despite these different motivating factors, many buyers seek similar amenities. "Many Lake Burton residents are members of Waterfall Club at Lake Burton, a private club that offers a golf course, spa, fitness center, three restaurants and a boathouse," she says.

Barnett notes that the area's strongest sales activity typically occurs between Memorial Day and Thanksgiving, with strong end-of-year sales attributed to the beautiful fall foliage. Rabun County is comprised of approximately 67 percent National Forest and Georgia Power Land, allowing for undeveloped, long-range mountain views. In 2015, she says, Lake Burton saw four sales over \$3.5 million.

#### Lake Tahoe, California / Nevada

Recent luxury redevelopment, combined with its reputation as a perennial favorite for all-seasons outdoor recreation, contributes to an outlook for a steady increase in sales through 2016 in Lake Tahoe.

"Redevelopment is progressing nicely around Lake Tahoe with old buildings being replaced with environmentally sensitive development. Several new luxury projects are in the works," explains Susan Lowe, senior vice president and corporate broker for Chase International. "For instance, Zalanta is a luxury condo

project underway in Stateline Town Center. You can literally park your car and do everything Tahoe has to offer without getting back in the car: ski, bike, hike, golf, water sports, beach, entertainment and more."

Lakefront homes currently range from the high \$1 million to \$50 million range, Lowe says; prices vary from area to area, with Incline Village typically being the highest-priced area.

Already, Lake Tahoe has seen two notable sales this year. The two highest-priced sales since the first of the year were 1131 Lakeshore in Incline Village, Nevada, for \$25.25 million and the historic Julia Morgan home, Twin Pines, in South Lake Tahoe, California, for \$8.5 million, Lowe notes.

#### Newport Beach, California

Newport Beach's approximately 700 oceanfront homes enjoy access to some of the world's most desirable beaches. Understandably, prime luxury waterfront opportunities are so rare that buyers usually have to wait years for the right property to become available. The lack of homes for sale in any given year helps to increase property values, explains Steve High, president of Villa Real Estate.

"In Newport Beach, luxury waterfront homes tend to be passed down from generation to generation," he explains. "Frequently, the death of an owner is what precipitates the sale of a property."

This trend already has been exemplified this year in the sale of 13 Bay Island, sold on May 5 for





Lake Michigan, Michigan

\$10.8 million. A private, six-acre sanctuary of 24 waterfront homes, Bay Island features wide, sandy beaches and mature specimen gardens.

"The property had been in the same family for over 85 years and was being sold due to the death of the remaining family member," High says.

Newport Beach's relatively small lots command premium prices for their square footage, resulting in a luxury waterfront price range of \$3 million to \$30 million. To maximize property value, explains High, "homebuilders and owners are building luxurious subterranean areas that feature movie theaters, nightclub-style bars, guest bedrooms and state-of-the-art exercise rooms."

#### Westchester County, New York

Just a short drive or convenient train ride from New York City, Southeastern Westchester County provides an escape for New Yorkers seeking more living and outdoor space for their families in both primary and secondary waterfront residences, explains Michèle Flood, associate real estate broker for Coldwell Banker Residential Brokerage.

The area's abundance of water sports, including swimming, sailing and kayaking, along with schools highly rated in national rankings, draw those seeking active lifestyles to this buyer's market. "The number of active waterfronts on the market is relatively high at 26, making the market favorable to buyers," says Flood. "Waterfront homes sold in the past two years have

ranged from the mid-to-upper-\$2 million category to the low-\$20 million category."

Despite high inventory and a slow pace, the area has seen several notable sales this year. "There was a recent open waterfront home on 2.8 acres in Rye that sold for \$21.15 million. Interestingly, it sold to a local resident," Flood notes. "There are currently four waterfront homes with contracts signed and list prices ranging from \$1.995 to \$6.4 million."

#### Naples, Florida

Naples' ease of access to the Gulf of Mexico, many open waterways, world-class golf courses and high-end shopping have established the southwest Florida city as a longstanding favorite among waterfront homebuyers. Recently, new luxury developments and a booming local economy are influencing the market, as well.

Pre-empty nesters seeking seasonal properties traditionally have constituted much of the buyer demographic and still do; although, younger families increasingly are moving to Naples permanently, according to Emily K. Bua, estate specialist with John R. Wood Properties. These families are drawn by expanding job opportunities in retail, hospitality, nursing and education.

Regardless of age, homeowners can find a wide variety of activities to suit their interests.

"Naples is extremely cultural. There is something for everyone, from our beautiful beaches, paddle boarding through the back waters, and fitness activities to

our salt caves, cooking classes and tons of restaurants," explains Tade Bua-Bell, broker associate with John R. Wood Properties.

The current state of the waterfront property market is stable, says Bua-Bell, with an increased demand over the last few years for new construction. "There are now spec home opportunities that didn't exist years ago available," she says.

#### Lake Michigan, Michigan

Chad Gradowski, a Realtor with Coldwell Banker Residential Brokerage, memorably describes Lake Michigan as "an inland ocean where you can watch a spectacular sunset in the summer and marvel at the frozen tundra in the winter." The lake's waterfront communities each have diverse vibes and unparalleled water-related activities; however, across the board, one reason brings buyers to them all.

"One of the top reasons that people are motivated to buy here is that they have a family history of coming to Harbor Country. So many times people grew up in a family beach house, or had a relative with a home here, and they want to carry that tradition on to their own families," explains Gradowski.

Median pricing for lakefront homes in New Buffalo, Michigan is about \$2 million. "As far as notable sales, there is a really great example of a 4,000-square-foot, nicely updated lakefront home with 100 feet of frontage on approximately an acre of land that received

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multiple offers within the first two weeks of listing and is currently a pending sale,” says Gradowski. “This is a reflection of our inventory being a little low.”

“Lake Michigan is an extraordinary natural resource,” he notes. “This is a timeless place that people love to visit, and, since there is a limited amount of lakefront property, its value stays fairly strong.”

### Chesapeake Bay, Maryland

Known for its top-notch seafood, serene natural beauty and wildlife, and some of the finest boating in the country, the Eastern Shore [of the Chesapeake Bay] is home to the three most expensive homes sold in the state of Maryland in 2015, notes Cliff Meredith, associate broker with Long & Foster Real Estate, Inc. Pricing levels are about where they were in 2006, prior to the market collapse, he adds.

“The luxury market on the Eastern Shore is stable. Inventory is higher than demand at the moment, which should be attractive to a purchaser,” says Meredith. “I don’t see any reason for this scenario to change substantially until after the election.”

Great restaurants, shopping, medical services and proximity to the urban areas of Washington, Baltimore, New York and Philadelphia attract many of the buyers, most of whom hail from Washington, Virginia, Maryland and Pennsylvania.

Across the bay, Harford and Baltimore counties offer affordable luxury waterfront living that benefits from ease of access to major routes for a convenient commute to Baltimore, as well as connections to Washington and Philadelphia. For example, the Bush River runs into the Susquehanna, and the Susquehanna River feeds into the Chesapeake Bay, offering enviable water views and natural landscapes.

“Pricing of luxury waterfront homes has reduced over the past year due to the supply and demand of the current market in the Harford County area,” explains Peggy Smith, a Realtor with Berkshire Hathaway HomeServices PenFed Realty. “Current pricing for luxury waterfront homes is from the high \$400,000s to just under \$800,000.” With inventory exceeding demand, buyers take the opportunity to be highly selective in their purchases.

“Currently, buyers seeking to up-size and those seeking their second home, including space for their family or multiple families, are being influenced by our upcoming presidential election and are cautiously looking to see what the future holds,” says Smith. The region also draws commuters from Baltimore and military buyers due to the Aberdeen Proving Grounds.

### The Bahamas

Seven-hundred islands and cays make the

Bahamas a waterfront mecca, and a slow-paced economic recovery favors buyers, according to Andrea Brownrigg, director and broker with Bahamas Realty.

A wide variety of non-stop flights and a currency on par with the U.S. dollar are attracting a younger buyer demographic, she says. These buyers are seeking newer or updated developments with well-defined lifestyle components for their growing families.

For example, Paradise Island’s Ocean Club Estates boasts a golf course, private beach club, tennis club and kid’s park, and its homeowners enjoy access to Atlantis and the One&Only Ocean Club. Beachfront homes within the community are priced on average from \$8 million to \$15 million.

Other areas of the Bahamas are less well known and can offer buyers a lot of bang for their buck. The Berry Islands boast their own international airstrip with customs and immigration, and is known as a fishing paradise, says Brownrigg.

“You can leave Florida at 8 a.m. and be out pulling in your lines within about two hours,” she says. One 15-acre property within the Berry Islands features 700 feet of beachfront and a price tag of \$750,000.

Value, of course, depends upon location. “Beachfront property in Lyford Cay is valued at \$65,000 per foot of beach; whereas Paradise Island is probably about \$45,000,” says Brownrigg. **UH**