

PRIVILEGE

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priv·i·lege

Pronunciation: 'priv-lij'

Function: noun

Etymology: Middle English, from Old French, from Latin privilegium, a right or immunity granted as a peculiar benefit, advantage, or favor.

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Investing in Rustic Chic

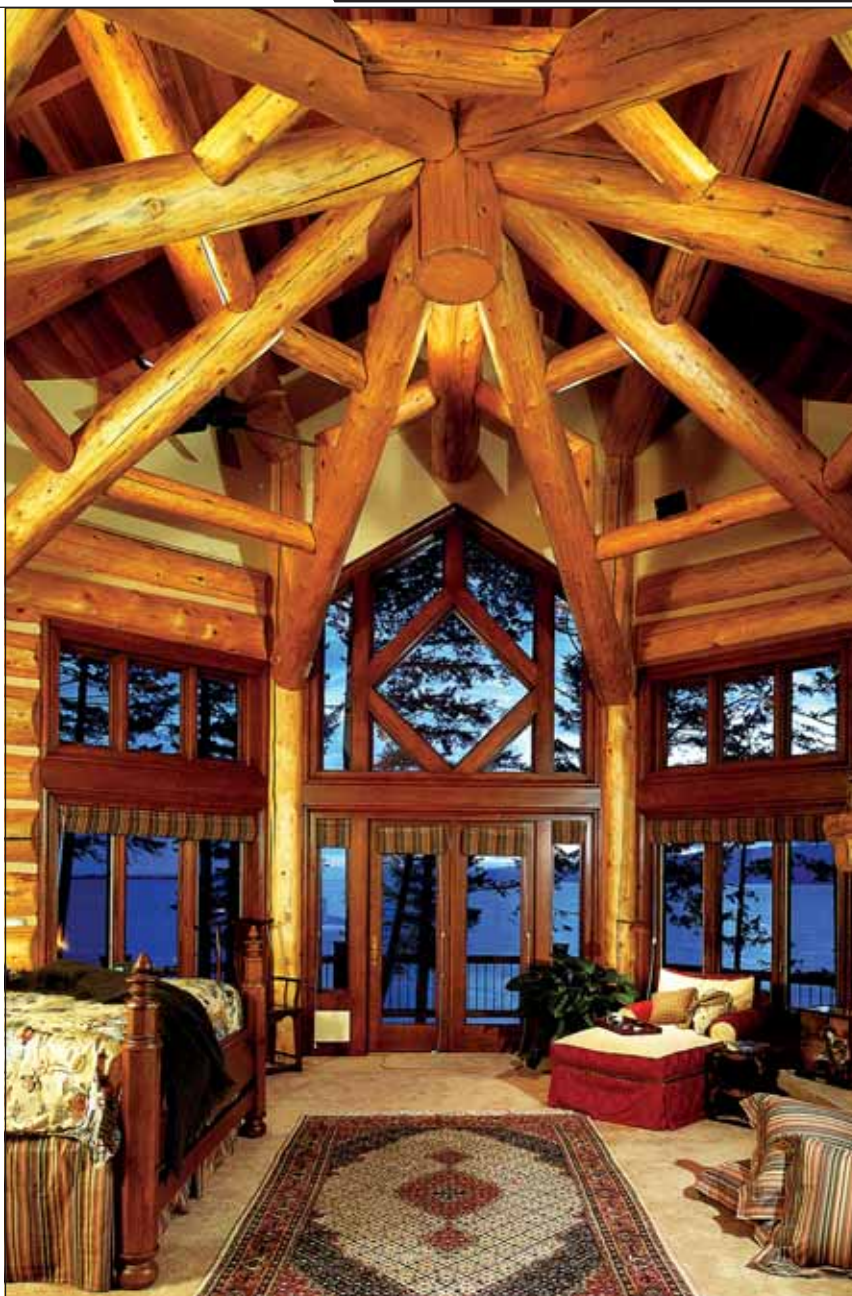
by Janice KAYE

When Thanksgiving rolls around in October, amid the “crashing scarlet glories of the Ontario autumn,” as one writer eloquently described it, many lucky families and couples hightail it to cottage country to celebrate the bounty of the land. Investments in country and lake or riverside properties, have proven to be solid, in some cases skyrocketing in value. Many buyers, retired Boomers and young upscale urbanites alike, give thanks for luxury as well as rustic solitude.

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While a longing for the property seems destined to return, today’s version of back-to-the-land is exemplified by such enterprises as Rocky Mountain Log Homes, a homesteading concept in which life is far from rocky. The new term is “rustic chic.” The National Post coined the wonderful word “rusticratic” to describe these custom-built log homes. They rely on nature’s raw materials, but with a look both fine and finished.

One example of the new “rusticana” lies in the village of Nipissing, about 30 highway kilometers southwest of North Bay. Although the town itself consists of only a couple of hundred people, nearby Lake Nipissing forms the largest body of water north of Huntsville and has always been a popular fishing area. Ray Winterstein, President of Chapman’s Chute Development Inc., is familiar with the recreational lifestyle there. His ancestors from Switzerland, the Khanerts and the Von Zubens, origin-



ally settled the area in the middle 19th century, clearing the deeded land and serving on the village council.

Now Winterstein and his company are developing 30 two-acre lots in the center of an 18-hole golf course on South River, which feeds into Lake Nipissing. A century-and-a-half later, the 291-acre project, still in the initial stages, promises a return to traditional country living with a decidedly modern twist. Winterstein chose to become a franchise dealer of Rocky Mountain Log Homes and its exclusive importer and distributor, Solitude Development Corporation. The homes in log form come from Montana but they are fashioned from B.C. logs. “Rocky Mountain

Log Homes has a design portfolio," explains Winterstein. "We select from it and make our custom changes. They

Doors and windows make the look of the home

produce that home in log form, with the logs pre-cut and measure, ship it up here, and we do the erecting here."

With 35 years in the building business, Winterstein represents the fourth generation of stone mason on his father's side of the family. "It's the backbone of our marketing and trade—our history," he adds. "And the people love it. We use wood instead of toxic vinyl or cold aluminum, lovely treed rural settings and good amenities." He hopes to attract just 30 couples to buy the exclusive homes, which begin at \$600,000 and \$700,000. His philosophy is that a few discerning individuals want rustic surroundings in semi-isolation, but with a community of homes reason-



ably close to a major city with hospitals, firehalls and major retail outlets. Secluded, prestigious, convenient.

In his log constructions, Winterstein includes a clubhouse for the golf course to accommodate 30 overnight guests in log cabins. "In the end this is a destination resort that will also do weddings, conferences and other events," said Winterstein. Rocky Mountain Homes works collaboratively with land developers, architects, corporations, homeowners and investors interested in utilizing large-format log or rough-hewn timber structures with artisanal stone masonry in such projects as homes, lodges, clubhouses, restaurants and other retail structures. With

a 30-year, award-winning track record, Rocky has built for celebrities and industry leaders in the U.S. and maintains a strong international distributor network. Their award-winning designers have created for Disney, Busch Gardens, Benihana Restaurants, Pro-Bass Outdoor World and Sun Valley Corporation.

Doug Bannon, President of Ridley Windows and Doors, which manufactures high-end products for the resort and recreation markets, firmly believes that windows and doors make the project. "They give you the look," he explained. The outside of a house tells the story and thinking about the exterior right from the beginning is important. Not all architects, however, think of all the details. The placement of furniture affects where windows should be and, most importantly, the light that comes in, how it comes in and when it comes in has an enormous impact on the feel of the living space.

"We offer a complete package to the builder, architect and homeowner of a high-end home," said Doug Bannan. Bannon works with many of the leading architects in Toronto, often providing all the doors and windows for the project. "We have a great deal of flexibility in our products. First, they are architecturally correct. When the architect draws a proper project we can meet that need. Most of our inside windows are Ponderosa



Pine from Oregon, which is very easy to work with, gives good detail, and won't splinter if you're trying to do a groove; we use oak, mahogany and fir as well. We're a custom window shop. We take the trouble."

There are many types of windows, from traditional single, where only the bottom part of the window moves, to double-hung windows, which go up and down, to casements that crank open and closed by swinging in or out. Bannon's company

What You Should Know Before You Buy

You've made the decision to invest in your own piece of "rustic chic."

You think that you've found the ideal property, or you're trying to decide on that perfect pastoral setting. Now, here's what you need to know before you sign on the dotted line.

The Best Return on Your Investment is Determined by Three Key Features:

"Location, location, location," emphasizes Michael Baum, cottage realty expert with Century 21. Michael has

over 20 years experience in selling cottage properties, mainly in the Haliburton and Muskoka area.

What are the prime features people should look for when investing in a cottage property? Open views, especially good views of sunsets, and nice, safe shorelines and terrain that are child-friendly, are at the top of Michael's list. You should also look for a winterized dwelling with at least 200 feet of shoreline frontage that is treed for privacy on either side, and has year round road access. This is preferable to a seasonal dwelling with an unplowed road.

Tax Considerations

"People are often forced to sell because taxes are so great," notes Michael. When buying a cottage property, keep

in mind that normally about 1% of the property value will be paid in taxes. To alleviate this burden, Michael suggests renting, preferably to people that you know can be trusted. A million-dollar property can fetch a rental price of up to \$5,000 a week.

Home Inspections

Due to recent changes in the insurance industry, the costs of insurance for some dwellings can be prohibitive.

"The single, most important piece of advice I can give a buyer is (to have) a home inspection done by a qualified, reputable home inspector who will thoroughly examine the dwelling," advises Michael.

"It is vital to have a condition (in the offer) that the buyer will have a time

period of two weeks after acceptance to complete a home inspection." There are two components to this: First, you want to make sure that the property can be insured. Second, you want to make sure that the costs of insurance aren't staggering. According to Michael, it is often best to go with the owner's own insurance company to avoid the hassles of red tape.

Lawyer Review Clause

A lawyer review clause is another important element of the offer that you will want to insist upon. This clause should allow 7-10 days for a lawyer to properly review your contract because, as Michael points out, "We're all human. Even experienced realtors make mistakes." The lawyer review clause is your safe-guard from potential costly mistakes.



Land Surveys & Title Insurance

In an ideal world, a buyer would be provided with an up-to-date survey showing all of the buildings on the land, including the dock, right of ways, easements and encroachments that could diminish the value of the land. Land surveys can be expensive and not all sellers will provide one. Whether or not you get an up-to-date land survey, you should purchase title

insurance to protect your investment. This could help off-set any legal issues that could arise.

Do Your Homework... and Relax

In choosing a realtor, or builder, you will want someone with a proven track record and good reputation. Find out as much as you can about the area where you have chosen your property. Questions to keep in mind include the following: Is there a dump nearby? Railroad tracks? An airport? Michael advises talking to neighbors and others in the community to find out as much as you can.

Once you've done your due diligence, you'll have peace of mind and be ready to take full advantage of your rustic get-away.

has built oval windows, Gothic, half-round, full-round, rectangular, and trapezoidal windows, including unusual windows for churches, historical replacement windows for Upper Canada College, as well as windows for golf courses lodges at the new Granite Golf Club in Stouffville, Mad River in Creemore, and the Rosedale Golf and Country Club.

Bannon explains their special paint system carrying a 15-year guarantee against peeling or cracking. "Paint, as opposed to metal, gives you a much more residential look. It also gives the architect flexibility in design. If there are lots of curves and bends, you can't accommodate them with metal, but you can with wood." The 120-color palette ranges from gunmetal black to linen white to cosmo blue, chutney, truffle, spiced cider, Sonoma grape, mustang brown, cream brick and other luscious and subtle hues. Some of the more distinctive are reflected in the historical colors, such as the deep blue of old Toronto buildings near Church and Queen or the country green of the Distillery. "The finish is called Flexacron, from Pittsburgh Paint," Bannon said. "It's licensed and exclusive in Canada."

When an architect closes a window, s/he may open a door. Ridley offers French doors, swinging French doors, sliding-style French patio doors, entry doors. "Anything you want as long, as it will perform," said Bannon. "We can make them 42 inches wide or nine feet tall with transoms." You can have divisions in the doors and windows, known as glass held in wood, or the authentic pane look."

The Canadian research published by the large multi-national real estate companies and local real estate boards fails to differentiate cottage from traditional home, only new from existing residential. Most of the data on cottage markets, is not necessarily reliable, but real estate boards operating within the established resort areas (Collingwood, Muskoka,



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provides personal escape from city rush and a special space to reconnect with family. Attendant trends include "fins and skins" (private golf course/residential developments with additional fishing, boating and equestrian activities), fractional ownership and destination resort living (Whistler, Aspen, Mt. Tremblant, Blue Mountain, and the new Muskoka resorts Taboo, Rocky Crest and Red Leaves).

Speaking of red leaves, autumn has arrived, resplendent as usual. Evocative pastoral settings. Warm woods. Uncommon craftsmanship and comfort. Trendy but traditional. It's all so civilized. P

Peterborough), as well as the emerging resort areas (Town of the Blue Mountains, Kawarthas, Lake of Bays, Parry Sound, North Bay, Prince Edward County), report that cottage sales are up.

From industry data, the Log and Timber Manufacturing Associations post very strong growth numbers as they relate to the percentage of log homes make compared to all new home starts. They estimate that more than 25,000 log homes are built every year, a number representing almost 7% of all new homes constructed in the United States. Log home builders in Ontario are usually booked two years in advance. The average home size is 2500 square feet, with an average construction cost of \$200 per square foot. These log homes command a 20% price premium because of supply and demand factors. On the other hand, a log home is 10-to-15% more energy efficient than conventional framed homes. They also command higher resale prices, owing to low turnover and high demand.

As Baby Boomers begin to focus on a variety of investments it may be natural in more ways than one that they appreciate "green" investing. Recreation real estate not only appreciates but also