

Hidden costs of recreational property

All decked-out at your cottage, cabin or chalet

You look out across the rippling water admiring the rise of evergreens painted against an indigo sunset. A warm breeze on your face, a deep relaxing breath, a cold beverage at hand ... priceless, right? Wrong.

Whether you're reminiscing from younger days, recalling a recent visit with a friend or just holding an image in your mind, cottage life can be very appealing. Savour these memories fondly, and dream what feelings the future holds.

At the same time, you need to be thinking both conceptually and practically about the cost of that life of leisure. Without puncturing those visions entirely, let's look at some of the costs and trade-offs of owning vacation property.

There and back again: The cottage commute

Be sure you are up to the travel back and forth. Weekend cottage migration can be time-consuming and costly, as gas is obviously not free.

If you are able to work remotely, maybe you can ease your woes by heading up a weekday earlier or staying on while others join the Sunday stream of headlights. That can be a sanity-saver but can also impose its own costs, especially if you need rural high speed internet access.

And if you're breaking the family into two vehicles to coordinate commuting, that convenience will cost you.

Year-round or seasonal? Measuring your maintenance

Is this your getaway or a duplicate home? Either way, you need furniture (rustic though you could choose it to be), appliances and the periodic roof, fence or deck mending.

For bills and utilities, some will vary by usage or may be available seasonally, while others like property tax will apply annually. For year-round access, you may need a local snowplow contractor, or at least own a dependable snow blower.

Careful not to be trapped by the trappings

Just being at a cottage is good for some, but 'doing' is what many people look forward to.

Often that means being out on the water, or at least at its edge. That can range from a foam floaty, to a canoe or kayak, all the way up to a powerboat with water-ski line.

Again, there's the cost of gas? Though smaller items can easily be packed away, motor craft will have to be winterized and may require offsite storage.

Keeping it clean and tidy, and sharing your good fortune

Do you like housework?

Hopefully so, because you now have two houses to take care of. Don't mean to rain on the parade, but we all had chores at our family cottage, and they doubled-up when we had guests coming.

Of course, welcoming visitors is a large part of the charm (and it's a good antidote to cabin fever with one's family), but guard yourself against going from gracious host to inundated innkeeper.

Renting to ease the finances

If you're stretched to carry the place, whether from the outset or once you're established, you could consider renting it out to defray some cost.

This is a lifestyle concession as much as a financial boost, as you may have to concede prime times when you would like to be there yourself. But with prices being at historic highs, this may be the route for you if you are intent on making cottage realty your reality.

For more information, please consult your financial advisor and tax professional.

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