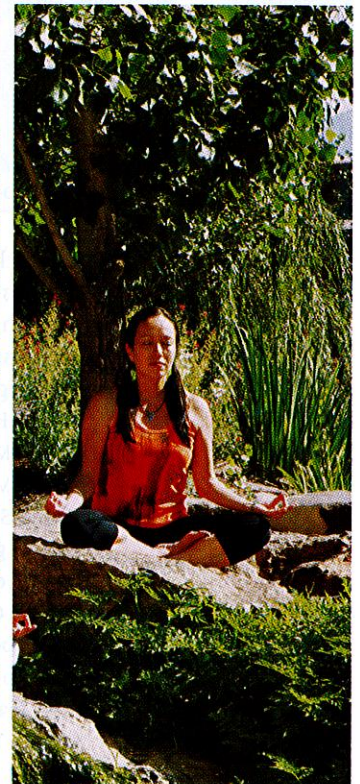
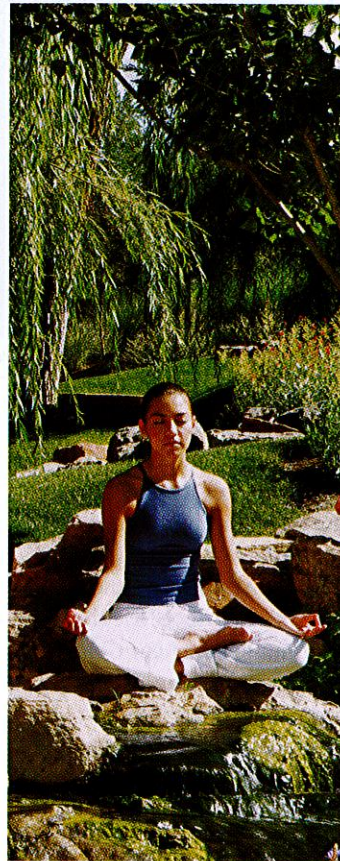
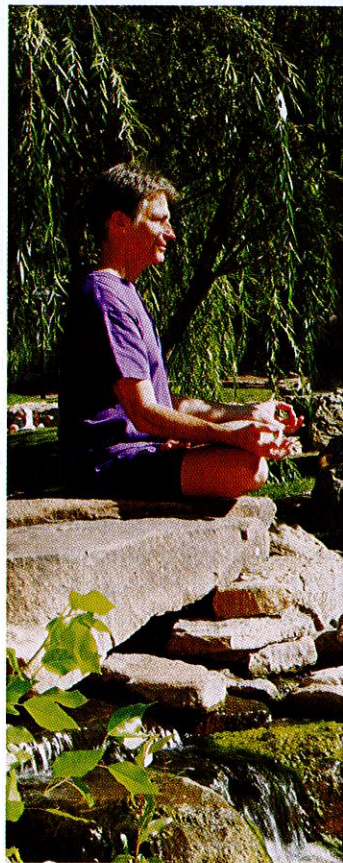


LIVING IT UP, SPA STYLE

By Mick Matheusik

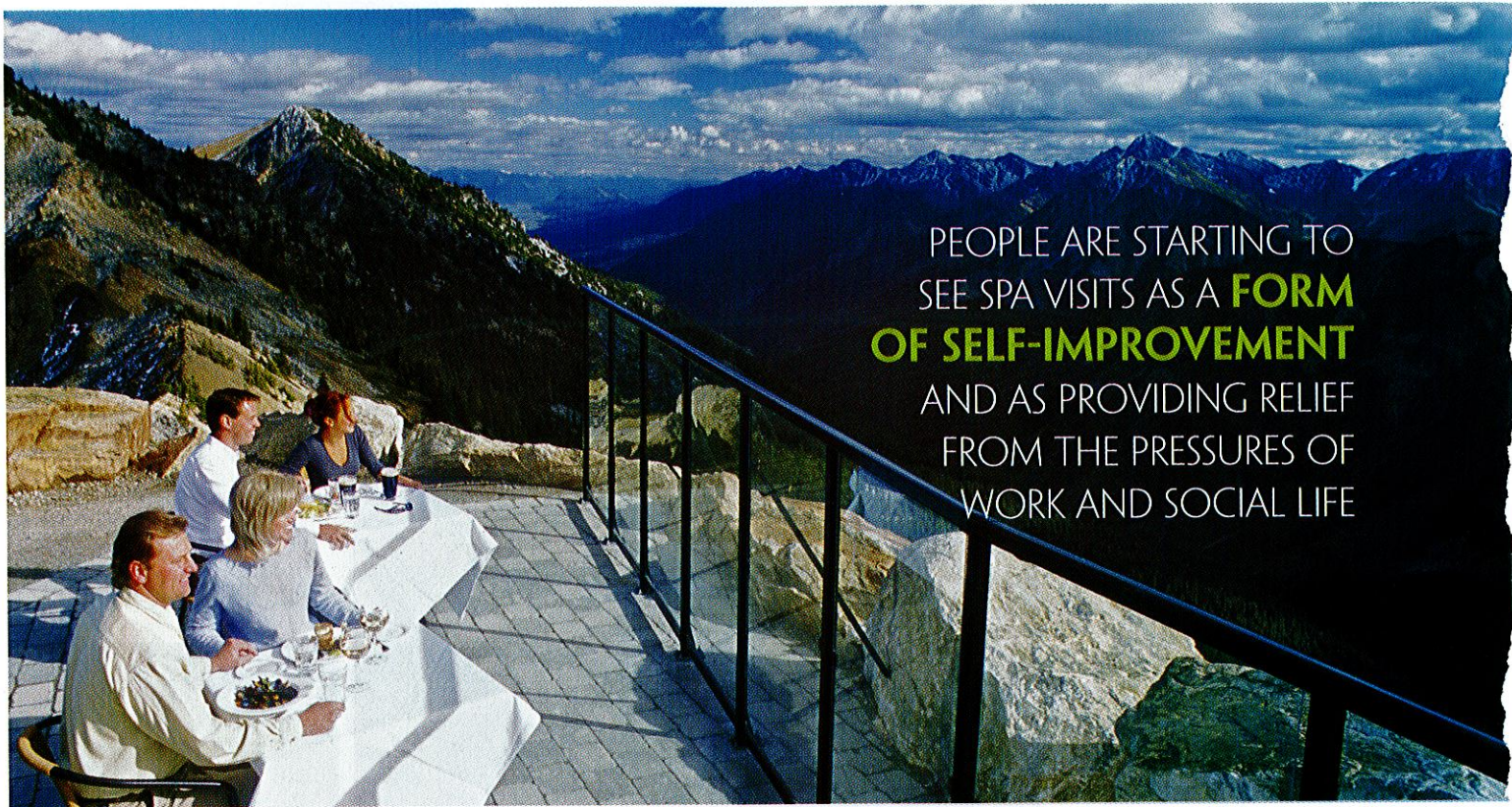
PHYSICAL AND
MENTAL WELL-
BEING A PRIORITY
FOR MANY RESORT
PROPERTY OWNERS

Spas and wellness centres are becoming a key draw at many hotels, resorts, and master-planned communities throughout Western Canada following the trend where they are already the primary attraction at many of their U.S. counterparts.



IT SEEMS MANY RECREATIONAL REAL ESTATE buyers want more than just the usual array of resort facilities and amenities. In addition to selling traditional recreation experiences such as golfing, downhill & Nordic skiing, boating or equestrian activities, these new emerging communities offer healthy lifestyles and wellness programs, enabling purchasers to pursue their goal of "living younger longer."

About one in four adults in North America has been to a spa, and participation by teenagers is increasing. Active spa-goers represent 32.2 million consumers in the United States and 3.7 million in Canada. The Canadian Tourism Commission (CTC), in conjunction with the Lexington, Kentucky--based International Spa Association (ISPA), recently reported an 18 per cent increase in the spa industry revenues over the past nine years, and expects future increases to be between eight and ten per cent in the next few years.



View from the top at Kicking Horse Mountain Resort

PEOPLE ARE STARTING TO
SEE SPA VISITS AS A **FORM**
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WORK AND SOCIAL LIFE

Further, the CTC/ISPA study found that a spa vacation also ties in well with shopping, cultural attractions, and restaurant sampling. Hence, the existing or expansion of the Villages at The Hills Wellness Community at 108 Mile in the Cariboo; Kicking Horse Mountain Resort near Golden; Three Sisters near Canmore, Pond's Landing at Bear Mountain Resort near Victoria, Mount Washington Alpine Community near Courtenay and a potential seaside village at Schooner Cove at Fairwinds near Nanaimo, both on Vancouver Island, B.C. – it's all about lifestyle and providing as many services as possible to live a healthy and stress-free life lessening the 'need' to leave these beautiful resort settings.

The majority of the spa market is being driven by baby boomers, many of whom seek a spa experience as part of their lifestyle choice to stay healthy and feel good – this goes far beyond the traditional 'pampering' type of spa services typically offered at most spas. As the leading edge of the baby boomers begins to show interest in buying spa lifestyle real estate, Pat Corbett, chairman of the

CTC task force on spa and wellness tourism, predicts that this trend will continue for the next 15 to 20 years. This prediction is reinforced by an independent study by market research firm American LIVES for Canyon Ranch, a wellness lifestyle company with destination spa resorts, spa clubs, and luxury residences, which estimates that the current one-third of North Americans who are seeking a healthy lifestyle will increase to two-thirds by 2025.

During vacations, and now increasingly as part of daily life, people are starting to see spa visits as a form of self-

SPAS ARE ALSO AT
THE **CUTTING**
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LIFESTYLES



improvement and as providing relief from the pressures of work and social life. Spas are providing aging baby boomers with a place to pursue some of their most important lifestyle requirements, namely health, wellness, and fitness, according to Susie Ellis, president of Spa Finder. In a 2005 survey of over 1,200, Luxury Spa Finder magazine readers and users of Spafinder.com (who together make up millions of spa enthusiasts around the globe), 61 per cent of respondents indicated they would be interested in living in a community built around a spa facility that offered programs and services to community members. Fifty-three per cent classified a spa as a very important residential amenity, while another 18 per cent indicated a spa is a decisive buying requirement. In contrast, only nine per cent indicated golf was a very important amenity, and only two per cent designated it as decisive. Overall, 48 per cent of the Spa Finder customers surveyed said they have considered the idea of purchasing a second home or vacation home, with about ten per cent indicating they have already contacted a broker/owner, researched properties, or taken similar steps.

According to ISPA, medical spas such as the Hills Wellness Center in the Cariboo are the fastest-growing segment, with an increasing number of spas now offering some form of integrative or complimentary and alternative medicine program. This includes preventive health treatments and regimens, nutrition and fitness

programs, as well as health and wellness education. Two pioneers in this field are Canyon Ranch, based in Tucson, Arizona, and the Hills Health Ranch, which have been practicing "integrated wellness" since the early 1980s and early 1990s, respectively.

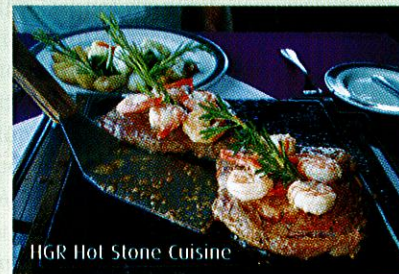
Recognizing that spas are also at the cutting edge of influencing healthy lifestyles, many spa operators have embraced the growing environmentally conscious consumer market, often referred to by the acronym LOHAS (Lifestyles of Health and Sustainability), which is estimated at more than \$540 billion globally in 2003. According to Kevin Kelly, president of Canyon Ranch, 90 per cent of respondents to its survey of 9,500 people from the 2002 American LIVES survey rated environmental factors such as air quality, natural lighting, design, and integration into the natural surroundings as essential ingredients to a healthy lifestyle.


A number of spa lifestyle communities such as the longest established spa based resort in Canada at the Hills (which has attracted for decades, national and international guests from all over the world) and Three Sisters with its planned Living Spa are now addressing this in their real estate offerings. Bringing this integrated and sustainable approach to designing, building and operating a spa facility, Three Sisters is modelling its planned 50,000-square-foot spa village in a campus type development after the first one built in 2003 at one of the world's most environmental conscious destination spas in


SEVERAL WELL-KNOWN SPA RESORTS

as well as many lower-profile facilities have added residential components both at resort and now urban environments. Examples include the following:

 **Hills Health and Guest Ranch**, Canada's first destination resort spa established in the '80s, where guests have access to extensive spa, health, nutrition, and fitness services, including yoga, Pilates, and aerobics, as well as aqua fit instructors, kinesiologists, nurses, personal trainers, a nutritionist, body therapists, and comprehensive lifestyle counseling. The resort also provides a wide array of recreational activities, including horseback riding, cross-country skiing, mountain biking, hiking, canoeing and other activities on three lakes and over 100 miles (160 km) of equestrian and cross-country ski trails. It has recently rezoned its property to offer its guests a spa village environment. The Hills Health Ranch has approvals in place for 265 residential units which will likely range in price from \$300,000 to \$500,000 for a two to three bedroom unit adjacent to a lake and other scenic areas on its 1,000-acre (405-ha) ranch property.



 Similar to the more remote ski town of Telluride, Colorado, where the world renowned **Golden Door Spa** located its destination spa, ski/all season destinations in the Canadian Rockies, such as at Canada's newest and only ski resort to be built in the last 25 years, Kicking Horse Mountain Resort, are making plans to embrace this burgeoning real estate market adding into its Village development. The Village is linked by a 12 minute Gondola ride to the award winning Eagle Eye's Restaurant on top of one of its mountains.

 Spa lifestyle communities are also evolving in wine regions, as in the planned mixed-use boutique hotel/wellness, wine, and culinary centre at **LakeStone Resort** near Kelowna and at Predator Ridge near Vernon, B.C. These resorts are starting to put the pieces together, like some of the U.S. spa-based resorts mentioned earlier, by embracing the trends associated with spa consumers who are looking for either a vacation or second-residence retreat offering not only spa services, but also learning and enrichment experiences associated with health and wellness, cooking classes, wine making and tasting, and healing techniques.

North America, named El Monte Sagrado Living Resort & Spa in Taos, NM.

Whether its in the mountains, ranch lands, wine country, urban or seaside settings, spa lifestyle real estate developments and communities are embracing the huge recreational real estate market that is destined to keep on growing as boomers want to keep 'living younger longer'. Varying degrees of spa services and amenities are being offered at many resorts. According to Dale Sproule, Director of Real Estate at Bear Mountain, a spa is now a required amenity in their overall package. Yet few resort developers, and owners have secured established operators who are well experienced with the comprehensive 'wellness'



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facilities and services that many real estate buyers are increasingly seeking. These can make the 'distinctive points of difference' or market appeal for both existing consumers, and for the virtually untapped potential market for this type of recreational real estate. R



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