

*In the heart of*  
Ontario's  
**Lake**  **Country**  
ORILLIA • ORO-MEDONTE • RAMA • RAMARA • SEVERN



**GLAMPING & OUTDOOR ADVENTURES  
TOURISM OPPORTUNITY**





## INTRODUCTION

CBRE's Tourism & Leisure Group, has prepared the following stand-alone tourism investment information packages for potential development of one of three tourism business opportunities in Ontario's Lake Country.



Source: OLC Visitors Guide, 2018

CBRE was retained by Orillia Area Community Development Corp., in partnership with Ontario's Lake Country, the Regional Tourism Organization 7, Tourism Simcoe County, and the townships of Oro-Medonte, Severn, Ramara, the City of Orillia and Rama First Nation, to assist in developing a strong business case for tourism investment in Ontario's Lake Country.

In consideration of the current tourism product inventory, demographic and visitation analysis, and using data collected during the stakeholder interviews, CBRE identified an initial long-list of tourism investment opportunities for Ontario's Lake Country. The long list of outdoor recreation tourism experience concepts was evaluated through an Opportunity Matrix, focusing on those private sector opportunities that provided the most appropriate attraction and capital investment alternatives for Ontario's Lake Country.

Based on the preliminary macro analysis, and the results of the Evaluation Matrix, CBRE recommended the following top 3 tourism concepts for feasibility assessment:



**1. Family Entertainment Centre**

This concept involves the development of an indoor Family Entertainment Centre offering at least 3 activities such as arcade and virtual reality games, high ropes course, ninja course, etc. with the possibility for additional seasonal outdoor activities. This concept is positioned to attract families with children and young adults looking for social activities to enjoy together. This attraction would be well suited to capture demand from both Ontario Lake Country's residents as well as same day and overnight leisure-based visitors.

**2. Waterfront Restaurant**

This concept involves the development of a year-round, full-service restaurant development on one of the lakes or rivers in the region. In consideration of the natural surroundings and available sites in Ontario's Lake Country, this concept is positioned to attract diners who enjoy scenic environments, as well as local influences and flavors. This establishment would be well suited to capture demand from Ontario Lake Country's residents, as well as same day and overnight leisure-based visitors.

**3. Glamping & Outdoor Adventures**

This concept involves the development of an outdoor adventure experience offering unique overnight accommodations in a natural environment, incorporating one or more outdoor adventure activities, such as mountain biking, aerial ropes course, trail adventures, kayaking, snowshoeing, cross country skiing, or paddling. In consideration of the terrain and available sites in Ontario's Lake Country, this concept is positioned to attract youth, young adults and "boomers" who want to enjoy the outdoors and gain adventure but are also environmentally-conscious. The Outdoor Adventure Experience has been positioned as a seasonal operation, open from May to October, and open over weekends throughout the balance of the year based on demand. It would be well suited to capture demand from overnight leisure-based markets to Ontario's Lake Country.

Each of the top 3 tourism product concepts for potential investment yielded positive results from a preliminary feasibility and market assessment perspective, representing a range of market interests for visitors to and residents of Ontario's Lake Country, and varying levels of economic benefits to the Region.

The following document includes a summary of CBRE's analysis regarding the Glamping & Outdoor Adventure Attraction opportunity, which has been created to introduce the development opportunity to potential investors and strategic partners. Further detail on the analysis completed for the Glamping opportunity and other two investment opportunities is provided in CBRE's **Regional Tourism Opportunities Project for Ontario's Lake Country – Final Report**. Interested parties should contact:

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## **GLAMPING & OUTDOOR ADVENTURES – TOURISM INVESTMENT OPPORTUNITY**

### **What is Glamping?**

Technically defined as the literal joining of the words camping and glamorous, “glamping” is a style of luxury accommodations that has become popular with tourists looking for unique experiences, outdoor adventures, and luxury travel. While glamping began as luxury safari-style tents, it has grown to include a plethora of unique accommodation styles including tipis, cabins, treehouses, yurts, Parks Canada’s oTENTiks, refurbished RVs, geodomes, and more. While the style of accommodation may vary, glamping has several key characteristics:

- **Unique:** Whether guests are waking up in a treehouse suspended in a forest, camping in a mountain-top yurt, or stargazing in a geodome, glamping experiences are unique and offer alternative style accommodations to the traditional hotels, campgrounds, bed & breakfast establishments, etc.
- **Eco-Friendly:** Often an integral part to glamping, being environmentally conscious from construction materials and methods to energy usage and waste during operations is key. Glamping facilities can include composting toilets, solar power panels, working gardens, etc.
- **Natural Surroundings:** Despite the “glamorous” interiors, glamping guests choose this type of accommodation to experience nature and be removed from cities and suburbs. Glamping accommodations are often in remote areas but strategically located to still be accessible and close to basic amenities and servicing infrastructure.
- **Adventure:** As with the natural surroundings characteristics, glamping is often paired with outdoor activities such as hiking, mountain biking, white water rafting, canoeing, animal watching, local wine, cider or brewery tasting, etc.

### **Glamping Business Models**

There are several business model options for a glamping investment opportunity, including but not necessarily limited to:

- Development by a landowner, interested in building glamping units on their land and operating the business as the proprietor;
- Development by an existing campground or lodge operator, as an expansion to their service offering;
- Development by an investor on leased land or purchased lands;
- In partnership with another tourism business, such as outdoor adventure experience, public park lands, paddling/kayaking routes, existing campground or lodge on their lands, as a profit-sharing arrangement; or
- A partnership between a landowner and a 3<sup>rd</sup> party glamping organization.

Parties interested in Glamping accommodations have the option to either operate their own accommodations or to partner with existing companies. The following chart provides a range of options from owning and operating your own glamping accommodations to an almost hands-off approach of partnering with existing companies.



**GLAMPING BUSINESS MODELS**

Self-Operated ← ————— → Partner with Existing

Own & Operate	Lease & Operate	Partner & Operate	Partner
<p>Under this alternative, a potential investor would own the land, build, and operate the glamping accommodations.</p>	<p>A potential investor leases land from an existing campground or provincial park with infrastructure and servicing already in place and builds Glamping accommodations as alternative to campsites.</p>	<p>Potential investors who own the land and have servicing already in place can partner with various glamping organizations that will install and market the accommodations on their own platform, but parties will have full operating control of their accommodations.</p>	<p>Existing campsites or parties with correctly zoned and serviced land can partner with various glamping organizations. These organizations use existing land to operate their luxury glamping accommodations.</p>
<p><b>Pros:</b> Develop, own and operate the business with no revenue sharing.</p>	<p><b>Pros:</b> Required infrastructure and services and zoning already in place.</p>	<p><b>Pros:</b> Experienced partner will set up accommodations, provide insurance, provide marketing and booking platform.</p>	<p><b>Pros:</b> Minimal investment required if land is correctly zoned and serviced.</p>
<p><b>Cons:</b> Owner would carry all the startup costs and land costs (if purchase and servicing required)</p>	<p><b>Cons:</b> Lease payments and working within lease agreements.</p>	<p><b>Cons:</b> Organization charges an initial start-up fee and a continued 10 – 20% of nightly rate.</p>	<p><b>Cons:</b> These organizations generally have specific land and location requirements.</p>



## Glamping Structures

In terms of the glamping structure, while there are many options available, the most common types include:





Geodesic Dome	Yurt	Canvas Wall Tent	Eco-Pods
			
<p>Semi-permanent spherical structure built on a wooden platform. Typically, a galvanized steel frame covered in an opaque, weather-resistant cover. The cover typically has a transparent “window” portion in the dome cover or a transparent ceiling for sky views.</p>	<p>Semi-permanent round structure built on a wooden platform. A lattice wooden frame is covered in layers of fabric with varying options for insulation and weather proofing. Yurts can be built two stories high to allow for bunk beds and can allow windows.</p>	<p>A hybrid semi-permanent structure with the wooden base and frame of a cabin with tented walls and roof. As with a cabin, these can be outfitted with heating and plumbing. Cooking facilities can be added, though typically a barbeque or fire pit keeps guests feeling closer to nature.</p>	<p>Semi-permanent, hard-walled, and pre-fabricated structures. Exterior is typically made of wood, with insulation, soft floor covering or carpet, and often a double-glazed window and lockable doors to reduce condensation and provide sound insulation.</p>
<p><b>Qualities:</b> year-round operation, can be outfitted with heating, plumbing, medium capacity (2-4 adults)</p>	<p><b>Qualities:</b> year-round operation, can be outfitted with heating, plumbing, higher capacity (4-8 adults)</p>	<p><b>Qualities:</b> year-round or seasonal operation depending on heating, medium capacity (2-4 adults)</p>	<p><b>Qualities:</b> year-round operation, typically smaller capacity (max 2 adults)</p>
<p><b>Additional Site Requirements:</b> Potable water, kitchen/fire pit or food service.</p>	<p><b>Additional Site Requirements:</b> Potable water, kitchen/fire pit or food service</p>	<p><b>Additional Site Requirements:</b> Potable water, kitchen/fire pit or food service</p>	<p><b>Additional Site Requirements:</b> Washroom facilities, potable water, kitchen/fire pit or food service</p>

Image Source: *Luna-Glamping, Acadia Yurts, Sepaq, Quality Unearthed*

## Amenities

For an upscale glamping experience, amenities should include high-quality linens and bedding, a kitchen equipped with cooking wares and utensils, potable water, a sitting area, electricity with outlets and charging stations. For convenience, especially in winter months, washrooms should be located either inside the glamping structure or at least on the same site as the unit, as opposed to at a comfort station. Outdoor amenities on the site should include a barbeque and/or firepit including propane/firewood.



To elevate the glamping units and provide a luxury feel, certain accommodation units include unique accents such as chandeliers, hand crafted furniture, plush rugs, or locally significant accessories such as printed pillows or paintings.

Access to additional services or facilities including recreation areas/sites, lakes, trails, recreation equipment (e.g. bicycles, cross country skis, snowshoes and canoes) and/or guiding services will be beneficial to the operation and enhance the guest experience.

### **Administration and Staff Housing**

Depending on the site location and business model, a central administration building may be required to accommodate a reception/check in area; housekeeping / linen supplies, equipment rentals. On-site accommodations for 1 or 2 staff could be accommodated in the administration building or as an additional glamping unit. In situations where the glamping experience is an extension of an existing campground, lodge or other tourism business, current facilities can be utilized.

### **Food and Beverage Services**

Depending on the experience offered, consideration will also need to be given to the provision of food & beverage services, which can range from guests bringing all their own supplies, with a BBQ, microwave and small refrigerator supplied with each unit to an all-inclusive luxury experience, with a personal chef preparing meals for guests. In situations where the glamping experience is part of or in close proximity to an existing tourism operation, guests may have access to an on-site restaurant.

## **SITE AND LOCATIONAL CONSIDERATIONS**

### **Site Considerations**

Ideally a glamping site should be in a natural environment with assets such as a lake, river, forest, offering picturesque views, with road access, and site servicing. Suitable sites should be close to demand generators which can benefit from access to nearby unique accommodations (i.e. adventure parks, bike or paddling routes, ski areas, recreational lakes, etc.). To ensure guests enjoy a remote experience in a natural environment, a glamping site should allow for 3 to 4 units per acre.

### **Infrastructure Requirements**

In terms of infrastructure, it will be imperative, that the site selected for the glamping operation, is equipped with basic services, such as potable water, electricity, plumbing and heating. If the site does not have direct access to infrastructure requirements (road access, electricity, potable water, access to sewer or septic system or a holding tank for waste water), the capital costs may become prohibitive.

### **Zoning and Regulations**

Developers will need to seek out local planners to provide advice in obtaining permission to develop and operate a glamping business and building inspectors to ensure all building codes are met in the development of the units. Interested parties should also speak to various provincial and local departments, such as Ministry of



Transportation/Municipal Roads departments, Ministry of Agriculture and Ministry of Environment to consider any issues they may have concerning a glamping development.

### Provincial Parks in Ontario's Lake Country

There are 3 operating Provincial Parks that fall within Ontario's Lake Country: Mara Provincial Park, McRae Point Provincial Park, and Bass Lake Provincial Park.

Park	Seasonality	Camping	Facilities	Activities
<b>Mara</b>	May – Labour Day	Car	Comfort Stations	Beach, Fishing, Boating on Lake Simcoe Hiking Trails
<b>McRae Point</b>	May - October	Car & RV	Comfort Stations Boat Launch Personal Floatation Rentals	Beach, Fishing, Boating on Lake Simcoe Hiking Trails
<b>Bass Lake</b>	May - September	Car & RV over 4 campgrounds	Comfort Stations Boat Launch Personal Floatation & Small Boat Rentals Park Store	Beach, Fishing, Boating on Bass Lake Hiking Trails Cross-country ski & snow shoe trails

Source: CBRE Tourism & Leisure Group research

While comfort camping options exist in Provincial and National parks, these accommodation types tend to lack luxury amenities, and are therefore not true “glamping” experiences. For example, several parks now offer basic comfort camping accommodations such as yurts (i.e. Hammock Haven), or Parks Canada’s oTENTiks, in addition to traditional car and RV campsites, and classify them as “glamping” options. These basic accommodations do offer the comforts and convenience of a semi-permanent structure; however, often campers need to bring their own bedding and cookware, will be located close to other campers, and will need to use the communal comfort stations.

The Provincial Parks in Ontario's Lake Country do not currently offer comfort camping and Ontario Parks has no immediate plans to add comfort camping options to the parks. All roofed accommodation units in Ontario Parks are managed internally and to a specific common standard. Therefore, though partnering with Ontario Parks to construct glamping units on Provincial Park land would not be an option, a private investor would have little competition in the Glamping market from Provincial Parks' accommodation.





## MARKET OVERVIEW

The following section provides a summary of visitor volumes, as well as tourism market trends, particularly as they relate to the potential for tourism investment within Ontario's Lake Country.

### Ontario's Lake Country & Simcoe County Resident Market

Ontario's Lake Country (OLC) is comprised of five distinctive districts—Orillia, Oro-Medonte, Rama, Ramara, and Severn—within Simcoe County (CD 43). OLC is approximately 60 to 90 minutes to the Greater Toronto Area (GTA) via Highways 400 and 11.

According to Sitewise Environics, the population of OLC was approximately 82,000 in 2018 and is expected to grow 10% over the next 10 years to 90,500 by 2028. Similarly, Simcoe County is projected to grow 11% from 509 thousand in 2018 to 565 thousand in 2028. Certain age segments in OLC are expected to grow significantly over the next 10 years, namely young children aged 0 to 4 (13%), adults aged 25 to 39 (15%), and seniors aged 65 and over (40%) with a similar trend in Simcoe County.

#### Population by Age Range in OLC & Simcoe County

Age (Years)	Ontario's Lake Country			Simcoe County		
	2018	2028 Proj	10-Yr % Growth	2018	2028 Proj	10-Yr % Growth
0-4	3,400	3,900	13%	25,200	28,700	14%
5-14	7,500	7,900	5%	53,200	57,700	8%
<b>Child (0-14)</b>	<b>11,000</b>	<b>11,800</b>	<b>8%</b>	<b>78,300</b>	<b>86,400</b>	<b>10%</b>
15-24	9,100	8,400	-8%	60,800	56,700	-7%
25-39	13,400	15,400	15%	95,600	108,900	14%
40-54	15,800	14,900	-6%	103,900	103,500	0%
55-64	14,300	13,700	-4%	75,900	78,100	3%
<b>Adult (15-64)</b>	<b>52,600</b>	<b>52,300</b>	<b>-1%</b>	<b>336,200</b>	<b>347,300</b>	<b>3%</b>
<b>Senior (64+)</b>	<b>18,700</b>	<b>26,300</b>	<b>40%</b>	<b>93,900</b>	<b>132,200</b>	<b>41%</b>
<b>TOTAL</b>	<b>82,300</b>	<b>90,500</b>	<b>10%</b>	<b>508,500</b>	<b>565,900</b>	<b>11%</b>

Source: Sitewise, 2018 Ontario's Lake Country

The average household income in Ontario's Lake Country is \$98,739 and 23% of households have incomes greater than \$100,000. Household spending is 2% greater than the Canadian average at \$109,400 per household.

#### Economic Indicators in OLC & Simcoe County

Economic Indicator	OLC	Simcoe County
Average Household Income	\$91,000	\$100,400
Household Income >\$100K	23%	27%
Persons per Household	2.4	2.6
Couples with Children at Home	37%	43%
Lone-Parent Families	16%	17%
Couples without Children at Home	47%	41%

Source: Sitewise, 2018

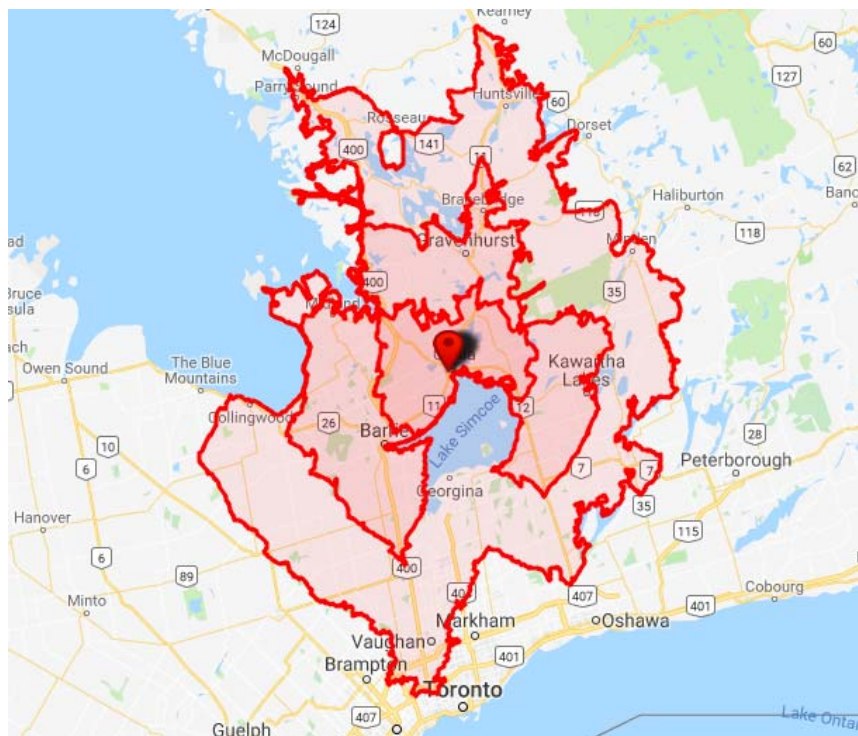
# GLAMPING & OUTDOOR ADVENTURES TOURISM OPPORTUNITY ONTARIO'S LAKE COUNTRY



The main industries for residents in Ontario's Lake Country are Retail Trade (11.6%), Healthcare and Social Assistance (10.3%), Construction (9.4%), with Manufacturing, Accommodation and Food Services, Public Administration and Arts, Entertainment, and Recreation all at approximately 7 to 8%. Simcoe County has a similar pattern of labour force industry.

## Simcoe County Tourism Market

Ontario's Lake Country is known for its picturesque lakes, rivers, and year-round outdoor activities including skiing, mountain biking, boating, fishing, and more. The Ontario Ministry of Tourism, Culture, and Sport tracks visitation to Simcoe County (CD 43) and the latest visitation statistics available are for 2016. The primary Tourism Market are residents in the GTA (30%) and the surrounding areas within a 90-minute drive time (44%)—especially from regions to the south of OLC such as York, Vaughan and Durham Regions.



Drive Time Areas	Population
0-30 Min Boundary	72,300
0-60 Min Boundary	405,000
0-90 Min Boundary	1,715,400

Source: Sitewise, Environics Analysis, 2018

In 2016, an estimated 6.7 million visitors travelled to Simcoe County. The majority of visitors to Simcoe County are from Ontario (99%), however of the small percentage of visitors from outside of Ontario were typically aged 55-64 (43%) followed by 25-34 (24%). The most common visitors are leisure groups, sport teams (especially youth), day trippers, and families.



**Canadian Visitors to Simcoe County by Age**

Age Range (18+)	Total Visitors	% of Visitors
18 – 24	977,200	14%
25 – 34	1,205,200	18%
35 – 44	1,063,700	16%
45 – 54	1,120,000	17%
55 - 64	1,179,500	17%
65+	1,200,000	17%
Party with Children	14%	-

Source: Ministry of Tourism, Culture, and Sport, 2016

The majority of visits take place in the warmer months from April to September. However, a significant amount still visits in January to March with the popularity of winter activities in the region.

**Simcoe County Visitors by Time of Year**

Quarter	% of Visits
Q1 (Jan - Mar)	21%
Q2 (Apr - Jun)	29%
Q3 (Jul - Sep)	37%
Q4 (Oct - Dec)	13%

Source: Ministry of Tourism, Culture & Sport, Simcoe County CD43 Visitation, 2016

The majority of visitors to Simcoe County participate in an outdoor/sport activity (33%), closely followed by Visiting Friends or Relatives (VFR) (31%). Of the outdoor activities, most popular are: going to the beach (36%), camping (19%), boating (19%), and hiking (16%).

**Visitor Activity Participation in Simcoe County**

Activity	Visitor Participation
Any Outdoor/Sports Activity	33%
Visit Friends or Relatives	31%
Shopping	6%
Cultural Performances	6%
Casinos	4%*
National/Provincial Nature Parks	3%
Sports Events	3%
Sightseeing	3%
Indigenous	2%
Business Meeting/Conference/Seminar	2%
Restaurant or bar	2%
Other	6%

Source: Ministry of Tourism, Culture & Sport, Simcoe County CD43 Visitation, 2016



According to visitor statistics from Ontario's Regional Tourism Organization 7 (Bruce, Simcoe, and Grey counties), the main tourism drivers are the summer water-based activities, winter sports, visiting friends and relatives (VFR), sport tourism/tournaments, event tourism, and shopping. While only 2% of visitor respondents listed going to a restaurant or bar while visiting Simcoe County, Food & Beverage accounts for the greatest percentage of visitor spending at 38%.

Similarly, according to visitor statistics from Ontario's Regional Tourism Organization 7 (Bruce, Simcoe, and Grey counties), the main tourism drivers are the summer water-based activities, winter sports, visiting friends and relatives (VFR), sport tourism/tournaments, event tourism, and shopping. Both the tourist and the resident market partake in these activities.

### Target Markets for Glamping

Having tourism experiences that reflect the geography of the area, emphasizing elements of the landscape that make OLC unique, is recommended in order to draw investment. Furthermore, developing tourism products and experiences that connect strongly with residents, visiting friends and relatives, and tourists in the surrounding GTA is very important. Such experiences relate to a variety of activity interests and associated socio-demographic profiles, such as interest in family adventures and outdoor activities.

In 2012, TNS with the Ontario Ministry for Tourism, Culture & Sport defined 12 high potential consumer segments for travellers within and to Ontario. These segments pertain to travellers from Ontario, certain regions in Quebec and Manitoba, and nearby Midwest and Northeastern states. Segments were constructed based on travellers' social/emotional needs, travel experiences sought, use of technology in travel, and importance of travel. Ontario's Regional Tourism Organization 7 (Bruce, Simcoe, and Grey counties), current visitation levels are represented as shown in the following table.

**RTO 7 Visitor Volume & Spending by Segment**

Highest Visitor Volume	Highest Visitor Spending
Up & Coming Explorers	Up & Coming Explorers
Nature Lovers	Pampered Relaxers
Sport Lovers	Connected Explorers
	Nature Lovers

Source: Ministry of Tourism, Culture & Sport, Simcoe County CD43 Visitation, 2016

A new Glamping & Outdoor Adventure product in Ontario's Lake Country would be appealing to **Up & Coming Explorers, Pampered Relaxers, and Connected Explorers** from Ontario and nearby Midwest and Northeastern states, as described in the following chart:





Traveller Segment	Description
<b>Up &amp; Coming Explorers</b>	This is a youth-oriented group that is on its way up in the world. These travellers are emerging into a new life stage, often characterized by greater affluence and new opportunities. Visible minorities and immigrants often fall into this segment. Travel is not about connecting with family or friends. While these people often want to be adventurous and energetic, their travel experiences often start with what is nearby and typically with core tourist attractions. Ontario is popular with this group and visitation is typically very recent.
<b>Pampered Relaxers</b>	This segment is defined by an orientation toward pampering and resort life experiences. This very often involves beach experiences, water and sun destinations in winter. For this segment, vacations are a time to relax and re-energize often through high-end sophisticated activities.
<b>Connected Explorers</b>	This segment has a psychological need to take a break from the everyday and be exposed to new experiences and knowledge. They are committed to expanding their horizons through travel. Interestingly, the internet and new technologies are key instruments in facilitating these travel interests and experiences. They research, book, and share travel experiences through technology—before, during, and after trips.

Source: TNS, 2012

Glamping is continuing to grow in popularity and when combined with the opportunity for outdoor adventure experiences, this investment opportunity will offer an appealing tourism destination within Ontario's Lake Country. Target markets for glamping may include: families, couples, individuals, corporate groups, and those attending special events in the area, including:

- Visitors who enjoy camping and outdoor experiences but who are unable or unwilling to bring and setup camping gear;
- First-time campers that do not want to make the large initial investment required for traditional camping gear;
- Summer season independent leisure travelers, including both domestic and international visitors, who are looking for a "close to nature" experience;
- Millennials, who have a non-materialistic mindset, but are willing to pay a little more for luxury;
- Baby boomers, who enjoyed camping when they were younger, but are no longer willing to sleep on the ground;
- Young families and families travelling with grandchildren who want the convenience of turn-key camping;
- Small corporate and leisure groups and retreats looking for a unique outdoor adventure experience; and



- Individuals and groups attending special events in Ontario's Lake Country, such as concerts at Burl's Creek, sporting events, etc.

The comforts and conveniences offered by glamping are also attractive to seniors. This segment currently comprises approximately 20% of OLC and Simcoe County's populations and is expected to grow approximately 40% in both Ontario's Lake Country and Simcoe County over the next 10 years.

## Comparable Glamping & Outdoor Adventures Experiences in Ontario

Comparable glamping experiences offered in Ontario range from basic yurts offered at several provincial and national parks to luxury canvas wall tents with meals and outdoor experiences. A description of several of these comparable facilities has been prepared below.

### Yurts at Ontario's Provincial Parks

From \$86 per night

- 72 Yurts are offered at the following 11 Ontario Provincial Parks: Algonquin – Acharya (1); Algonquin – Mew Lake (7); Bon Echo (6); Bronte Creek (3); Charleston Lake (4); Killarney (6); MacGregor Point (16); Pancake Bay (5); Pinery (12); Silent Lake (8) and Windy Lake (4)
- Furnished with bunk beds, mattresses, a wood or natural gas stove, table with four chairs, a bookshelf, florescent lighting, electrical outlets, roofed deck with gas BBQ, fire pit and a picnic table.
- Guests bring their own sheets, blankets, pillows and cookware.



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### oTENTiks at Ontario's National Parks

From \$100 per night

- oTENTiks are provided at the following National Parks in Ontario: Pukaskwa; Thousand Islands; Georgian Bay Islands; Rideau Canal National Historic Site; Trent-Severn Waterway National Historic Site; Pointe Pelee; Rouge National Urban Park.
- Parks Canada offers 400 oTENTiks across its entire system.
- Each unit is a cross between a tent and rustic cabin and includes 3 beds and can accommodate up to 6 persons.





### Rustic Off-Grid Cabin Rental at Glen Oro Farm

Oro-Medonte, ON

From \$200 per night

- 150-year old rustic cabin rental located on a farm near Orillia
- Accommodates up to 4 persons, queen-size and sofa bed
- No running water or electricity, wood-burning stove and generator available
- Off-grid features include a composting outhouse, gravity fed outdoor shower and sink
- Featured on Glamping Hub
- Host offers guided tours of the trails on horseback for an additional fee.
- Located 15 minutes from Mt. St. Louis, and 5 minutes from Hardwood Ski and Bike. Other nearby activities include bird watching, archery, biking, climbing, tree top trekking, skiing, yoga, etc.
- No minimum stay



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### Fronterra Farms, Prince Edward County

242 Beach Rd.N., Consecon, ON

From \$255 per night

- 5 Luxury Prospector Tents featuring king size bed, hardwood floors, an ensuite bathroom, a reading lounge, a private outdoor shower and private dock with water access
- A private summer kitchen offers cast iron cookware, charcoal grill, icebox, and tableware
- Situated on a 58-acre waterfront farm / brewery
- Offers workshops focusing on sustainability, self-sufficiency and personal health, including organic gardening, and beer brewing
- Also offers canoe and bike rentals and custom packages including private camp chefs, group wine tours, salmon fishing, fly fishing and photography outings, etc.
- Minimum 2-night stay



## GLAMPING & OUTDOOR ADVENTURES TOURISM OPPORTUNITY ONTARIO'S LAKE COUNTRY



### Wilderness Suites, Long Point Eco-Adventures

1730 Front Road, St. Williams, ON

From \$199 per night

- Features 3 levels of glamping – rustic to luxury
- 15 luxury wilderness suites; featuring private flush toilet and outdoor shower, hot and cold running water, mini-fridge, hardwood floors, sliding glass locking door, private deck, electrical outlets
- Also features 10 wilderness pods from \$185 to \$285 per night and 10 camping pods from \$95 to \$135
- 2-night minimum stay
- Features a number of adventures including zipline and canopy tour, long point observatory, fishing tours, zodiac boat tours, mountain biking, kayaking tours, leisure cycle tours, axe throwing, beer and wine tours



### Northridge Inn & Resort

712 South Lake Bernard Road, Sundridge, ON

From \$200 per night

- Waterfront Resort Lodge which offers 24 lodge and chalet rentals with Modified American Plan or a la carte foodservice.
- Features a 1971 Vintage Airstream rental on waterfront
- Glamping Tents on wooden platforms, queen bed with goose down duvets, fresh spring water, solar electricity, small private fire pit, hibachi BBQ grill, coffeemaker, small dining and seating area
- Washroom access is provided by 2 portable washrooms with hand washing sinks in the glamping area, in addition to fully functioning washrooms with hot showers, private locking toilet rooms and dry sauna located with 150 metres of the tents
- 2-night minimum stay







**Outpost Co.**

Temagami, ON

From \$650 per night

- Outpost Co. is a luxury camping service provider for vacations, corporate retreats and events, which offers a collection of “glamorous camping” properties around the world
- 8 luxury hand-crafted canvas safari tents provided in Temagami’s ancient, white pine forests, on a lake only accessible by float plane
- Features a private chef and artisanal wood canvas canoes for the guests’ private use
- Amenities include bedside lighting, heater, mosquito nets, room service, BBQ grill, books/library, fire pit, robes, shuttle service, turndown service, bedding and bath products, hammock, and fully stocked bar and selection of wines to accompany meals
- On-site experiences offered include: bird watching, canoeing, hiking, board games, fishing, massage, stargazing, guided tours, nature walks, swimming
- 2-night minimum stay





### Comparable Pricing

Based on a review of several glamping experiences offered in Ontario, listed 2019 rates range from \$86 per night for yurts at Ontario Provincial Parks to a high of \$650 for an all-inclusive luxury experience at a fly-in outpost in Temagami.

#### 2019 Rate Analysis - Selected Glamping Experiences in Ontario

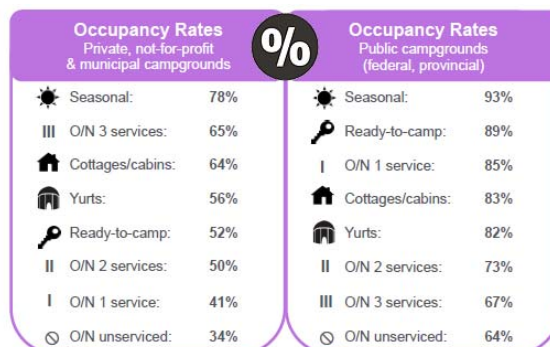
Accommodation	Nightly Rate	Rate Penetration
Luxury Camping Tent	\$229	109%
Riverfront Campervan	\$97	46%
Solar-Powered Treehouse	\$247	117%
Secluded Yurt	\$167	79%
Deluxe Tent	\$178	84%
Authentic Caboose	\$215	102%
Northern Edge Algonquin Canvas Cabins	\$260	123%
Outpost Luxury Camping	\$650	308%
Gordon's Park Tipi Tenting	\$100	47%
Luxury Yurt	\$140	66%
Wild Exodus Prospector Tent	\$160	76%
Ontario Provincial Parks	\$86	41%
<b>Market Average</b>	<b>\$211</b>	<b>100%</b>

Source: CBRE Tourism & Leisure Group Research

### Utilization and Seasonality

The Canadian Camping and RV Council undertook a national survey of Canadian campgrounds in 2015 in order to provide a national and provincial portrait of the Canadian camping industry and its economic impact.<sup>1</sup>

Highlights of the study showed that seasonal occupancy rates for yurts at federal and provincial campgrounds averaged 82%, while ready-to-camp experiences had seasonal occupancy rates of 89%. In comparison, seasonal occupancy rates for private and not-for-profit and municipal campgrounds were slightly lower at 56% for yurts and 52% for ready-to-camp facilities.



<sup>1</sup> Economic Impact and Trend Analysis of the Canadian Camping Industry, Canadian Camping and RV Council, April 2015.



## **SUBJECT CONCEPT FOR OLC GLAMPING OPPORTUNITY**

Based on the various glamping business models and our market overview, CBRE suggests the glamping investment opportunity for Ontario's Lake Country be positioned at the upper end of the product scale, featuring 10 geodesic dome-style structures, on a 3-acre site, which is serviced and zoned, and currently owned by the investor. The operation would be open 7 days per week during the May to October period, and on weekends only during the balance of the year, as demand warrants. CBRE suggests that the operation be located in close proximity to major demand generators, such as bike and paddling routes, ski areas, and recreational lakes.

### **Subject Facility Program & Estimated Capital Costs**

CBRE suggests the following key elements be included in the facility program:

- 10 units of geodome style accommodations, each measuring approximately 300 to 400 square feet;
- Wood/vinyl flooring;
- Room furnishings comprised of one or two beds, bedside tables with lamps, headboard, floor lamp, seating, mirror, credenza and luggage racks;
- Tasteful décor, bed linens, towels and soaps;
- Propane gas fireplace;
- Microwave, mini refrigerator and coffee maker;
- High Speed Internet (cable and Wi-Fi Access);
- Extended covered area in the rear or inside the unit, housing a washroom unit;
- Outdoor wooden deck with BBQ and chairs;
- Outdoor picnic bench; and
- Connections to water and electricity and serviced by a septic tank/holding tank.

Preliminary order-of-magnitude capital costs have been estimated at \$500,000 or \$50,000 per unit for an upscale glamping experience. As a comparison, Parks Canada's OTENTik units cost an average of \$25,000 to \$30,000 to install.



**OLC Glamping & Outdoor Adventures Investment Opportunity**

<b>ACCOMMODATION</b>		
	Units	Total Cost Est
Glamping/Sleeping Domes	10	\$150,000
Furnishing & Fixtures	10	\$30,000
Ensuite Enclosure - Washroom	10	\$30,000
Wooden Platform/Deck	10	\$15,000
<b>Subtotal</b>	<b>10</b>	<b>\$225,000</b>
<b>BUILDINGS</b>		
		Total Cost
Office/Supplies/Staff Accommodation	1	\$70,000
Storage Shed / Maintenance	1	\$50,000
<b>Subtotal</b>		<b>\$120,000</b>
<b>OTHER</b>		
		Total Cost
Site Landscaping/Parking/Signage Allowance		\$75,000
Pre -Opening Marketing		\$30,000
Rental Recreation Equipment		\$50,000
<b>TOTAL</b>	<b>\$50,000</b>	<b>\$500,000</b>

Source: CBRE Tourism & Leisure Group

## **SUBJECT INVESTMENT PRELIMINARY MARKET PROJECTIONS**

CBRE has projected that a glamping investment opportunity of 10 units, which operates 7 days per week from May to October, and on weekends only during the balance of the year would achieve an estimated occupancy of 51% in its first year of operation, increasing to a stabilized occupancy of 56% by Year 3. At this level, the glamping operation would be expected to attract 1,360 occupied nights in Year 1, increasing to a stabilized demand of 1,500 occupied nights. With an average party size of 3 persons, and a minimum 2-night stay, the glamping investment has been projected to attract over 2,000 guests per annum.

## **SUBJECT INVESTMENT PRELIMINARY HIGH LEVEL PROFORMA OPERATING STATEMENT**

A preliminary 5-year high level proforma for the subject Glamping investment business has been prepared based on the following assumptions:

- The operating season would be 268 days, running from May to October, and weekends for the balance of the year;
- An inflationary factor of 2.0% per annum;
- A seasonal occupancy of 51% in Year 1, increasing to 56% by Year 3;
- An average nightly rate of \$236 in Year 1, increasing by inflation thereafter;
- Approximately 90% of revenues achieved through unit rentals, with on-site rental equipment, such as bicycles, and other supplies at \$30 per occupied room night.



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- Departmental expenses associated with cleaning the units, laundry and other guest supplies at 10% of revenues;
- A 3% management fee;
- Undistributed operating expenses which include administration, marketing, IT and telecommunications, repairs and maintenance and utility costs estimated at 39% of revenues; and
- Other fixed charges, including insurance, property taxes and a capital service, estimated at 6% of revenues.

Based on these assumptions, the 10-unit Glamping Investment operation is estimated to generate a net income of approximately \$153,000 in Year 1, increasing to \$184,000 by Year 5 – or \$18,000 per glamping unit.

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**OLC Glamping & Outdoor Adventures Investment Opportunity**  
**FINANCIAL OPERATING PROJECTIONS (000's)**

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>GLAMPING UNITS</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
Operating Days	268	268	268	268	268
Available Camping Nights	2,680	2,680	2,680	2,680	2,680
Occupied Camping Nights	1,357	1,424	1,496	1,496	1,496
<b>Occupancy</b>	<b>51%</b>	<b>53%</b>	<b>56%</b>	<b>56%</b>	<b>56%</b>
<b>Avg Nightly Rate</b>	<b>\$236</b>	<b>\$240</b>	<b>\$245</b>	<b>\$250</b>	<b>\$255</b>
<b>REVENUES</b>					
Unit Rentals	\$320	\$342	\$367	\$374	\$382
Rental Equipment	\$27	\$29	\$31	\$32	\$32
Supplies/Other	\$14	\$15	\$16	\$16	\$16
<b>Total Revenue</b>	<b>\$360</b>	<b>\$386</b>	<b>\$413</b>	<b>\$422</b>	<b>\$430</b>
<b>DEPARTMENTAL EXPENSES</b>					
Rooms Expenses	\$32	\$34	\$37	\$37	\$38
Other Supplies	\$4	\$4	\$5	\$5	\$5
<b>Total Departmental Expenses</b>	<b>\$36</b>	<b>\$39</b>	<b>\$41</b>	<b>\$42</b>	<b>\$43</b>
<b>GROSS OPERATING PROFIT</b>	<b>\$324</b>	<b>\$347</b>	<b>\$372</b>	<b>\$380</b>	<b>\$387</b>
Management Fee	\$11	\$12	\$12	\$13	\$13
<b>UNDISTRIBUTED OPERATING EXPENSES</b>					
Administration & General	\$60	\$64	\$69	\$70	\$72
IT/Telecommunications	\$7	\$8	\$8	\$8	\$9
Marketing & Advertising	\$18	\$19	\$21	\$21	\$22
Repairs & Maintenance	\$18	\$19	\$21	\$21	\$22
Utilities	\$36	\$39	\$41	\$42	\$43
<b>Total Undistributed Operating Expenses</b>	<b>\$139</b>	<b>\$149</b>	<b>\$160</b>	<b>\$163</b>	<b>\$166</b>
<b>FIXED CHARGES</b>					
Insurance/Property Taxes	\$10	\$10	\$10	\$11	\$11
<b>Total Fixed Charges</b>	<b>\$10</b>	<b>\$10</b>	<b>\$10</b>	<b>\$11</b>	<b>\$11</b>
<b>NET OPERATING PROFIT/LOSS</b>	<b>\$164</b>	<b>\$176</b>	<b>\$190</b>	<b>\$193</b>	<b>\$197</b>
Reserve for Replacement	\$11	\$12	\$12	\$13	\$13
<b>NET OPERATING PROFIT/LOSS</b>	<b>\$153</b>	<b>\$165</b>	<b>\$177</b>	<b>\$181</b>	<b>\$184</b>
<b>PROFIT PER GLAMPING UNIT</b>	<b>\$15</b>	<b>\$16</b>	<b>\$18</b>	<b>\$18</b>	<b>\$18</b>

Source: CBRE Tourism & Leisure Group Projections



## ROI UNDER ALTERNATIVE BUSINESS MODELS

The project's ROI will be dependent on its location, surrounding environment, how up-market the accommodation, facilities and service offerings are and the business model in which it operates. The estimated payback period is typically between 4 to 6 years.

Under the base case model, whereby an existing landowner/operator invested in a 10-unit glamping operation in Ontario's Lake Country, the investment is projected to achieve a 35% ROI by its 3rd year of operation. Should the investor also need to acquire lands for the development, capital costs would be higher, with an ROI slightly less at 31% by Year 3. Assuming a land lease or joint venture model, the operating costs would be higher, and ROI lower at 23% by Year 3; and in a partnership between a landowner and a 3<sup>rd</sup> party glamping organization, the landowner receives a percentage of gross revenues.

### OLC Glamping & Outdoor Adventures Investment Opportunity BUSINESS MODEL ALTERNATIVES

GLAMPING / OUTDOOR ADVENTURE OPPORTUNITY	BASE CASE - EXISTING LANDOWNER / OPERATOR	ACQUIRE LANDS	LAND LEASE/JOINT VENTURE	PARTNERSHIP BETWEEN LANDOWNER & GLAMPING ORGANIZATION
CAPITAL COST	\$500,000	\$575,000	\$500,000	
NET OPERATING INCOME (Yr 3)	\$177,000	\$177,000	\$115,000	\$62,000
Return on Investment	35%	31%	23%	

Business Model Assumptions:	
Land Cost	3 acres at \$25,000 per acre
Land Lease	15% Gross Revenues
Joint Venture	15% Gross Revenues
Partnership	15% Gross Revenues

Source: CBRE Tourism & Leisure Group Projections

# **APPENDIX A: ASSUMPTIONS & LIMITING CONDITIONS**



## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. This Advisory Report prepared by CBRE, is intended for the exclusive use of Orillia Area CDC ("Client"), and is not intended to be prepared for, given to, or relied upon, by any other person or entity, without the express prior written consent of CBRE, and the individual(s) who authored the Advisory Report.
2. It is assumed that all factual data furnished by the Client, property owner, owner's representative, or persons designated by the Client or owner to supply said data are accurate and correct unless otherwise specifically noted in the report. Unless otherwise specifically noted in the report, CBRE has no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, CBRE reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify CBRE of any questions or errors. CBRE does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the real property furnished by the Client to CBRE and contained in any report prepared by CBRE.
3. The date to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any opinion herein rendered is based upon the purchasing power of the Canadian Dollar on that date. This advisory report is based on market conditions existing as of the date of this report. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the report. However, CBRE will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject.
4. The conclusions, which may be defined within the body of this report, are subject to change with market fluctuations over time.
5. Any cash flows included in the analysis are forecasts of estimated future operating characteristics are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of current market expectations of future income and expenses. The achievement of the financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. CBRE does not warrant these forecasts will occur. Projections may be affected by circumstances beyond the current realm of knowledge or control of CBRE.





6. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation of CBRE to buy, sell, or hold the properties. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
7. The report has been prepared at the request of the Client, and for the exclusive (and confidential) use of the Client. The report may not be duplicated in whole or in part without the specific written consent of CBRE nor may this report or copies hereof be disclosed to third parties without said written consent, which consent CBRE reserves the right to deny. If consent is given, it will be on condition that CBRE will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CBRE, by a party satisfactory to CBRE. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of CBRE which consent CBRE reserves the right to deny. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a "sale" or "offer for sale" of any "security". Any third party which may possess this report is advised that they should rely on their own independently secured advice for any decision in connection with this property. CBRE shall have no accountability or responsibility to any third party.
8. The maps, plans, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.
9. No opinion is intended to be expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate advisors.
10. Acceptance and/or use of this report constitutes full acceptance of the Contingent and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the Client, or Client's designees, to read in full, comprehend and thus become aware of the aforementioned contingencies and limiting conditions. Neither the Advisor nor CBRE assumes responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.
11. CBRE assumes that the subject property analyzed herein will be under prudent and competent management and ownership; neither inefficient nor super-efficient.
12. It is assumed that there is full compliance with all applicable federal, provincial, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the report.

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13. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the herein, as of the effective date of this appraisal, cannot be relied upon as of any other date without subsequent advice of CBRE.
14. Client shall indemnify and hold CBRE fully harmless against any loss, damages, claims, or expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client, and for which recovery is sought against CBRE by that third party.