ALLIRA KING

A GUIDE FROM ALLIRA KING

Phase 1 vs. *Phase 2*

Whistler's most important property distinction — stays, costs, and which one fits your life.

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Two Whistler condos can sit across the street from each other, look nearly identical, and be priced hundreds of thousands of dollars apart. The difference usually isn't the granite — it's a covenant registered on the title. Understanding Phase 1 versus Phase 2 is the single most valuable piece of Whistler knowledge a buyer can have. Here it is, plainly.

First, what these actually are

When Whistler was developed as a resort, properties in its tourist areas were given **rental-use covenants registered on title** — permanent rules that travel with the property and define how it may be used. They work alongside municipal zoning, and they come in two main flavours:

- **Phase 1** — the flexible one
- **Phase 2** — the hotel-style one

Plenty of Whistler homes carry **neither** (standard residential — you live in it or rent it long-term, no nightly rentals). But in the Village, Benchlands, Blackcomb and other tourist zones, nearly everything is Phase 1 or Phase 2 — and the covenant drives the price, the financing, and the ownership experience.

Phase 1 — Freedom, with responsibility

Your stays: unlimited. Live in it full-time, use it every weekend, or never visit — entirely your call.

Renting: your call too. Nightly vacation rentals, long-term tenants, or no renting at all — Phase 1 allows all of it (within your strata's bylaws, which can add minimum-stay rules).

Who runs it: you. Self-manage, hire a property manager, list it yourself. You choose the rates, the calendar, the cleaner.

What you pay: everything an owner normally pays — strata fees, property taxes, utilities, insurance, furnishings, repairs — plus your rental operating costs (management, cleaning, supplies) if you rent. In exchange, **all the rental revenue is yours.**

Financing: generally conventional — most lenders treat quality Phase 1 property much like normal real estate, which supports both value and resale.

Phase 1 is right for you if...

- You want a Whistler home that can also **earn serious income** when you're not using it

- You want **full control** — your dates, your pricing, your standards
- You're a family wanting genuine flexibility: your place, always available to you
- You're an investor who wants the strongest resale market — Phase 1 has the deepest buyer pool in Whistler

The honest trade-off: Phase 1 income isn't passive. Bookings, turnovers, guest issues, maintenance — you're running a small hospitality business (or paying someone to). Through my vacation-rental servicing business I see exactly what that workload looks like across the valley — ask me what it really involves before you count the revenue.

Phase 2 — The turnkey ski base

Your stays: limited but guaranteed. Typically **up to 28 days in winter and 28 days in summer** (around 56 nights a year, booked in advance under the hotel's rules — exact allowances vary by property, so we always read the actual agreement).

Renting: automatic. When you're not using it, your unit **must be available through the hotel's rental program** — Pan Pacific, Westin, Hilton and similar. Guests book it like any hotel room; you receive a share of the revenue.

Who runs it: the hotel. Front desk, housekeeping, marketing, pricing, repairs coordination — all handled. You show up, stay, and leave. There is genuinely nothing to manage.

What you pay vs. what's covered: the hotel's operating machinery (staffing, marketing, booking systems, day-to-day guest servicing) is funded out of the **revenue split** before your share reaches you. You typically still cover **property taxes, your share of strata/hotel fees, and periodic furniture/refurbishment programs** — and your revenue share varies with tourism seasons. Expect it to **offset your costs of ownership rather than make you rich**; in good years, owners often describe it as their ski trips paying for themselves.

Financing & taxes — the important fine print: many mainstream lenders **don't finance Phase 2** (it's treated as commercial-hotel-like), so buyers often need larger down payments, specialty lenders, or cash. **GST usually applies** on purchase (often deferrable if you register and stay in the rental program — accountant territory). These quirks are also why Phase 2 **prices are dramatically lower** per square foot than Phase 1 — which is precisely the opportunity.

Phase 2 is right for you if...

- You're a **Lower Mainland regular** — up the Sea to Sky many weekends a season — and tired of paying variable (read: peak-season brutal) hotel prices for the privilege. A Phase 2 gives you **your own place in the heart of the resort, at a fraction of Phase 1 cost**, with your stays guaranteed and your costs offset the rest of the year.
- You want **zero management** — not "low management," none.
- You want a **foothold in Whistler Village** at the lowest realistic entry price and full hotel amenities (pools, hot tubs, valet, room service) when you're here.

The honest trade-off: it's not a growth investment in the way Phase 1 can be, resale pools are smaller, and you can't just decide to move in — the covenant is permanent. Buy it as a lifestyle asset that defrays its own costs, and it's one *of the smartest quiet deals in the valley. Buy it expecting condo-market appreciation and rental riches, and you'll be disappointed. I'll tell you which side of that line a specific unit sits on.*

Side by side

Your personal use	**Unlimited**	~**28 days winter + 28 summer** (varies by property)
Nightly rentals	Allowed — optional, your way	**Required** via the hotel program when you're not there
Long-term living	Yes	No
Who manages	You (or your chosen manager)	The hotel — fully turnkey
Rental revenue	100% yours (minus your costs)	Revenue **share** after hotel's cut/costs
Typical costs to you	Strata, taxes, utilities, all operations	Taxes, strata/hotel fees, refurb programs; operations funded from revenue split
Financing	Generally conventional	Limited — bigger down payments / specialty lenders / cash
GST on purchase	Sometimes (rental properties)	**Usually** (often deferrable — get advice)
Price point	Premium	**Significantly lower** per sq ft
Best for	Flexibility, income, families, investors	Frequent visitors who want turnkey + guaranteed stays
Resale market	Deepest in Whistler	Smaller, value-driven

Three quick scenarios

The North Vancouver family, up 15 weekends a winter. Hotel bills were running five figures a season. A Phase 2 studio in the Village replaced them with guaranteed stays, ski-in convenience, and a revenue share that covers most of its own carrying costs. They didn't buy an investment; they bought back their winters.

The couple who want a place *and* a plan. Up one week a month, want income the rest. Phase 1 townhome, professionally managed nightly rentals, full control of their own calendar. More work, more cost — and the property both earns and appreciates in the deepest segment of the market.

The buyer who almost got it wrong. Fell for a "bargain" Village condo online — didn't realize it was Phase 2 and couldn't be lived in. The price difference *was* the covenant. Ten minutes with the title would have told them; that ten minutes is the first thing we do together.

Keep Learning — Where to Go Deeper

This guide covers the covenant question. For the topics around its edges:

From our guide library *(all available at alliraking.ca — or ask me for a copy)*:

- **Financing, offers, subjects and the full purchase process** — *The Whistler Buyer & Seller Guide* walks the whole journey; *The Whistler Real Estate Handbook* is the friendly version with a plain-English glossary.
- **First-time buyer?** The federal and BC programs (and how down payments actually work) live in our *First-Time Buyer's Guide* — including rules for international buyers, who often find Whistler more open than they expect.

Official sources worth bookmarking:

- Whistler's zoning and land-use rules — whistler.ca
- Tourist accommodation & short-term rental rules in BC — gov.bc.ca
- GST on real property — Canada.ca
- BC real estate consumer resources — BCFSA

The rule that protects you

Never buy in Whistler's tourist zones without reading the title, the covenant, and (for Phase 2) the rental-management agreement. Listings get covenants wrong more often than you'd hope, and "Phase 1" complexes vary in their fine print. I read these documents every week — it's the least glamorous and most valuable part of what I do.

Wondering which side fits your life — or whether that listing you've bookmarked is what it claims to be? Send it to me. That's a coffee-length conversation, and it might save you the biggest mistake in Whistler real estate.

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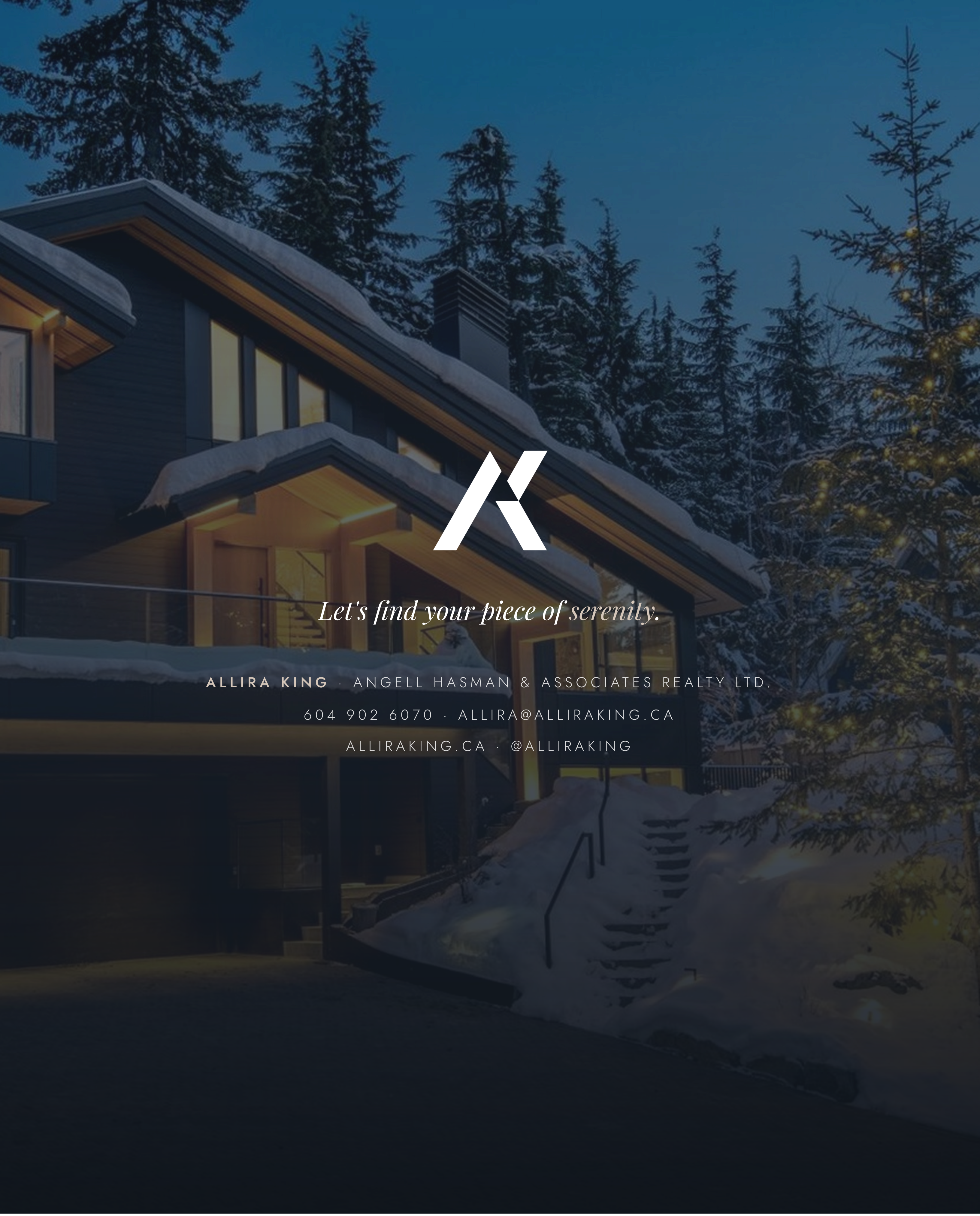
General information, not legal or financial advice. Covenant terms, stay allowances, cost structures and tax treatment vary by property and change over time — always verify the specific title, covenant and rental agreement with your lawyer before purchasing.



Let's find your piece of serenity.

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