Though many farms did not provide good returns, potatoes, turnips and other root crops as well as apples were said to especially thrive in sandy Muskoka soil. The lumber industry provided part-time employment to a number of farmers who were not able to earn all their living from agriculture.

The prospect of another resource industry presented itself in the spring of 1877 when a gold nugget was reported to have been discovered in an excavated well. Would-be millionaires and prospectors thronged into Gravenhurst, found nothing, and the excitement died down by that summer.

Gravenhurst was incorporated as a village in 1878. That year was also marked by "considerable activity in building operations," amounting, it was believed, to "over \$17,000." According to a 1879 Guidebook and Atlas, in December of 1878 Gravenhurst contained:

> about 200 houses, 1 hardware store, 8 dry goods stores, 11 shingle mills, 2 shoemakers, 1 tailor, 2 watchmakers, 3 dressmakers, 2 saddlers, 1 attorney-at-law, 4 hotels, 2 bakers, 1 butcher, 1 bookstore, 1 flour and feed store, 1 doctor, 1 drug store, 1 foundry, 1 boarding house, 3 telegraph offices, express office, Gravenhurst and Muskoka wharf, railway stations with waiting rooms, ticket offices, freight sheds, wind mill, pumps, etc.

There were also 4 churches (Anglican, Roman Catholic, Methodist and Presbyterian), a town hall with lock-up underneath, and an estimated 1,200 inhabitants. (These numbers may be slightly inflated.) The Guidebook neglected to mention "Brown's Beverages," established in 1873 on