

WHY

Now Is The Best Time To Buy A Second Home

How can you increase your personal wealth with an investment that lets you have your cake and eat it, too?

The Answer Is A Second Home

You've probably seen your own home increase in value and add to your wealth. Buying a second home — no matter whether for pleasure or investment — can offer you another way to invest in the future while you benefit now from tax breaks.

Although only 7 percent of Americans currently own a second home, experts believe that demand for second homes is about to skyrocket, as the bumper crop of 40 million baby boomers reaches prime second-home-buying age in the next few years. No matter how they crunch the numbers, 7 percent of 40 million is a lot of demand.

And, as demand for second homes rises, so does the potential for rising values for those who get in on the ground floor now.

Don't Wait!

To avoid paying top-dollar for your second home, the best advice is buy now. Now's the time to start enjoying your investment, before demand for all types of second homes may put prices beyond reach.

You may be thinking of a classic single-family home in town or country, a rustic mountain retreat or a warm winter bungalow, a contemporary ski or golf villa or a comfy condominium at the beach or in the city. You may be dreaming of a seasonal get-away or you may want one with year-round appeal. Regardless of your preference, the best part of owning a second home may be that you're building your wealth and having a great time doing it.

Why Owning Two Can Be Twice As Good As Owning One

You probably can already imagine yourself enjoying life in your second home — maybe even retiring there — doing what you like to do most. But have you thought about why investing in real estate historically has been one of the best ways to build wealth? Here's why.



When you buy a home, you're likely to use borrowed money. That's called "leverage." Say you buy a \$100,000 second home with a 10% down payment. Suppose the property appreciates a modest 5% and the second home becomes worth \$105,000. You've earned \$5,000 on your investment of \$10,000, an increase of 50%. That's an impressive return on your money. (Financing costs would, of course, lower the net yield.)

Remember, second homes are often a luxury and can be a volatile market, so it's critical to buy wisely. Ask yourself: How do you spend your free time now? How often will you visit? How much travel time and cost is acceptable? Do you want a maintenance-free second home?

Do you enjoy all the seasons? Does the area have a stable growth history?

Don't Go It Alone

Buying a second home can be a challenging task, especially if you're looking in a location far from your first home. The best advice is don't go it alone. Not every second home for sale is a good buy.

You'll want to be sure community services and privileges from garbage collection to pets policy are right for you, the amenities are up to snuff, purchase and owning costs are affordable. What's more, be sure the home itself measures up and that you can live with the local taxes, any association fees or building restrictions — and lots more.

As with the purchase of your current home, invest with the resale market in mind. Don't take a chance on what's probably the second biggest investment you'll ever make.

Help Is Close To Home

There's no need to look further for help. Our real estate experience puts us in a position to provide you with the assistance you'll need. We can start by telling you how much home you're qualified to buy.

Then, if you're thinking of buying a second home within our area, we'll be able to show you all homes listed for sale and bring you up to speed on everything from recreational and health facilities to shopping, community organizations and more.

If you're interested in buying a second home elsewhere, we can make sure you're introduced to a top-notch second home specialist at your preferred destination who can help you find exactly what you're looking for.

Check out how homeowner tax breaks can save you big money when you purchase a second home. Then, please call us to learn more about how our professional real estate services can make your dream a reality.

To Purchase Call (703) 698-7750