

Money Saving Tips for Buying a Lake Home

Owning a lake home on one of Wisconsin's 15,000 lakes to escape the hustle and bustle of everyday life is part of the ultimate American dream. Making this dream a reality is financially a little easier to obtain with these five money saving ideas:

- 1. Go to the river, the channel or up on a bluff.** You can get a better deal for your piece of paradise, if you are willing to go a little off the beaten path for a property that sits on a bluff overlooking the water or a home on a river or channel that feeds into a lake.

You can get a lot more house for your money by going with a property that has lake access, but is not on the lake. According to REALTORS® in Wisconsin, how much you can save depends on the location and the elevation of the water.

- 2. Consider a foreclosure or a fixer-upper.** Are you able and willing to put some work into your home to be on the lake? If so, focus on finding a foreclosure or a fixer-upper to help save some money. Since the market has overall rebounded, foreclosures are becoming harder to come by – but not impossible to find. Work with a real estate agent in your desired area that specializes in lake homes. Local REALTORS® know the market and know inventory levels, putting you in the best position to be notified quickly on a potential money-saving opportunity.

- 3. Buy during non-peak season.** It is tempting to buy a lake home now during the summer months to be able to cool off in a lake. If you can hold off, you may be able to get a better deal during non-peak buying season.

REALTORS® report that demand for lake properties is greatest between Memorial Day and Labor Day, causing homes to be priced at higher values. Most lake properties in Wisconsin provide activities throughout the year – allowing you to enjoy your new vacation home no matter what season you buy it in.

- 4. Share it with others.** Renting your home out to vacation seekers or jointly-owning it with family members, are a couple of creative ways to find some cost savings. If you buy a home knowing that you are going to rent it out, you can usually buy a little bigger property because you are going to have someone helping you make the payments.

REALTORS® caution that there are some things that you should consider before entering into these types of



Investment home sales jumped 7% in 2015 compared to 2014.

National Association of Realtors® 2016 Investment and Vacation Home Buyers Survey



More than 80% of vacation-home buyers choose locations within driving distance of where they live, providing an additional cost savings.

National Association of Realtors® 2016 Investment and Vacation Home Buyers Survey

arrangements. Turning your home into a rental property requires getting the proper license and insurance as well as arranging for regularly scheduled maintenance. Also pooling resources with a family member is a great cost saver, but you have to be sure that your relationship is strong enough to last for an extended period of time.

- 5. Make it your primary home in retirement.** Baby Boomers are leading a trend that involves investing into their retirement home now. If you are near retirement age consider buying a second home on the lake with plans in 10 years to make it your primary home. REALTORS® are noticing Baby Boomers and some younger people who want to make memories on the lake with their kids and grandkids, which is why they are making this kind of investment now.



The national median household income raised nearly \$10,000 from 2014 to 2015 from \$94,380 to \$103,700.

National Association of Realtors® 2016 Investment and Vacation Home Buyers Survey



Wisconsin is home to 15,000 lakes, giving those who live in Wisconsin and out-of-state opportunity to find a deal on a lake home.

Wisconsin Department of Natural Resources