



**Real Estate**  
YOUR HOME | YOUR LIFE





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# Popular Vacation Home Spots

**T**he perfect vacation home allows for a great escape from everyday life into a new surrounding.

More Americans than in years past are investing some of their hard-earned cash into purchasing a vacation getaway.

According to the National

Association of Realtors' 2014 Investment and Vacation Home Buyers Survey, vacation home sales jumped nearly 30 percent between 2012 and 2013.

With the economy slowly recovering from the Great Recession, those numbers only look to increase.

The real estate website Trulia gives us an idea of where people are looking to spend their vacation time and an idea of costs for specific areas. For example, a vacation home in Gatlinburg, Tenn., is likely to run you about \$179,600, while one in Myrtle Beach, S.C., is about \$219,000 on average.

Here are the top 10 vacation home locations, according to Trulia. See where your favorite getaway city

ranks and look into pricing for vacation home ownership or timeshares. You'll be enjoying your home away from home in no time.

Neighborhood and State	Median Price
Ocean City, N.J.	\$525,000
North Wildwood, N.J.	\$289,000
Kissimmee, Fla.	\$298,800
Ocean City, Md.	\$275,000
Marco Island, Fla.	\$499,000
Big Bear Lake, Calif.	\$335,000
Lake Arrowhead, Calif.	\$399,000
Panama City, Fla.	\$294,245
Gatlinburg, Tenn.	\$179,600
Cherry Grove Beach, S.C.	\$219,000

## WHAT TO LOOK FOR IN A VACATION HOME

So what do these places have that

others across the country don't? The answer may very well be location. Beaches, mountains and optimal weather conditions are all factors when it comes to attracting vacation home buyers.

Cost also comes into play. Just like your primary home, you have to consider your total cost of living, including property taxes, insurance, utilities and other bills. Consider building a detailed budget before settling on a vacation home location.

You may find that you can get more bang for your buck by buying a home in your third or fourth choice of city, rather than your first.

This sacrifice can make a world of difference in your overall financial stability.



# Paying Off Your Mortgage

**P**icture it now: an extra \$1,000 in your pocket every month.

That's about the average monthly payment for a 30-year mortgage at 4 percent interest, according to LendingTree.

That's a nice chunk of money that could go toward your retirement or your child's college fund.

But why wait for the full 30 years of your mortgage term to pass? With a few simple strategies and a healthy dose of self-discipline, you can pay down your mortgage in half the time — or less.

It all starts with understanding your loan and exactly how much you're paying toward principal. From there you can determine a payoff plan and adjust it throughout the years.

## IS NOW THE RIGHT TIME?

Experts take varying positions about the right time to devote substantial payments toward paying off your mortgage. It always makes sense to reduce debt in all areas of your finances, but it's important to get your priorities straight before spending extra money on your mortgage payments. If you have a high-interest credit card bill, for example, it makes more sense to pay that off first to avoid being charged gaudy rates for years to come.

Your mortgage interest rate is likely lower than some of your other loans and credit cards, so be sure to address them first. Once you do so, it's time to start really making an impact on your mortgage payment.

## REFINANCE

One of the smartest things you can do to set yourself up for a quicker repayment of your mortgage is to refinance to a lower interest rate. Depending on when you last financed or refinanced your home, now is the perfect time to take advantage of low interest rates.

By even shaving 1.5 percent from your interest rate, you could save nearly \$3,000 per year in interest payments on a \$200,000 home loan. That is big savings.

Refinancing to shorten the length of your loan is another effective strategy. It is becoming popular for homeowners to refinance their home loans from 30-year fixed-rate mortgages to 20- or even 15-year loans. The interest rates are much lower than their 30-year counterparts, helping you keep more money in your pocket in the long run.





# Saving Up a Down Payment

Coming up with the cash for your home down payment by the means of traditional savings can take time and patience that may be hard to come by, depending on your income and current living situation.

When you find that perfect home, you may fear another buyer swooping it up before you can get your finances in order. On the other hand, taking out a high-interest loan just to have enough for the down payment may not be the most ideal strategy, either.

Read our suggestions below to find more money, both within your regular income and outside of it.

## PAY OFF DEBTS

This strategy isn't as gratifying as finding a lump sum of money to put toward your home. But by taking away some of your other debts, you can position yourself for building a more robust savings account.

When you carry a large credit card balance, the burdensome interest rates can make you feel like you're running on treadmill with no end in sight. By reducing some of your debt load, you'll free up more money than you may realize.

## USE SPECIAL PROGRAMS

Not being able to easily come up with the money for your down payment can be a stressful situation. Just remember there are agencies out there that were built to help everyday Americans navigate through situations just like this.

Borrowers with a range of incomes may have access to aid from Fannie Mae and Freddie Mac, the government-sponsored offices that buy mortgages and package them as investments, according to the IRS.

There are also many nonprofit and



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community groups that assist buyers struggling to save enough for a down payment. Call these offices in your area, as well as state agencies that may be able to offer financial assistance.

## TAP YOUR IRA

Retirement accounts are intended to

be used later in life, but a special circumstance such as buying your dream home may be reason enough for you to cash out. According to the Internal Revenue Service, tax laws allow you to use up to \$10,000 in IRA funds as a down payment if you're a first-time home buyer.

This means a married couple with both parties being first-time buyers can pull a potential \$20,000 down payment out of their retirement accounts. Talk this strategy over with your financial advisor before pulling the trigger, as there may be other factors to consider.

# Negotiate the Right Deal

**B**uying or selling a home can be stressful, especially when it comes to negotiating a price. There is no statistic detailing the number of deals that have fallen apart at the negotiating table, but it's not uncommon.

If you treat negotiations like a personal challenge, you can actually find some enjoyment in pulling off a deal. If you're overwhelmed at the thought of bartering with an opposite party through your Realtor, follow the tips below to strengthen your confidence.

## **DON'T SPEAK UNTIL SPOKEN TO**

This old adage is true in the negotiating game when it comes to real estate transactions. Experts recommend letting the other party speak first when deal time approaches. Doing so lets you identify a clear midpoint by taking the difference between your price and what is being offered.

This helps you quickly recognize if your suitor is genuinely interested in pursuing the deal.

If the offer is extremely low, this probably isn't the deal for you.

## **LISTEN CAREFULLY**

Too many buyers and sellers have been shortchanged by not paying attention to all the terms and conditions of a real estate transaction. Anytime a price is pitched to you, write it down and study it with the help of your significant other and Realtor.



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Listen to all the deal details so you can make the most informed decision possible. Write down questions you have on clarifying any points of the proposed deal, and don't forget to consider your financial situation to see if the negotiated price makes sense for you.

## **DO YOUR HOMEWORK**

In the traditional negotiation engagement, the person who holds the most information about the home and competitive home values holds the power at the table. When negotiating, it's important to know the basic terms and conditions, as well as what other homes in

your area are demanding in the market. With this knowledge, you can enter negotiations with full confidence that you're going to get the better end of the deal. Have numerous conversations with your Realtor throughout negotiations to maintain a sense of the other party's stance and goals.

The person who holds the most information ... holds the power at the table.



# Owning a Historic Home

Some homeowners are so passionately drawn to history that owning a historic home seems like common sense.

Instead of being intimidated by the classic nature of such a home, these types of owners are excited by the opportunity to update and refine the home while staying true to its vintage values.

A historic or architecturally significant home exemplifies a “signature architectural style, captures the essence of a given time period or is associated with famous people from the past,” according to the National Register of Historic Places.

If you are excited about the possibility of owning a historic home for the first time, there are some things to consider.

## THE BENEFITS

The beauty and grace of a historic home is unmatched. Walking through the halls and rooms is like experiencing life in a museum setting every day you wake up. There are stories associated with each room that are passed down from owner to owner over the years. It is easy to fall in love with a property that is so richly connected to significant times, places and people of American history.

Financially, states and local governments offer tax credits and lower-interest loans on historic properties. This can be another major benefit of buying and owning a historic home.

## RENOVATION RESTRICTIONS

Because the home is historic, there might be some renovations needed for it to be livable. Make sure to get the necessary estimates for how much



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these repairs may cost. There will be some restrictions as to the renovations that you can carry out to preserve the home’s true nature.

Realtor.com lists the following restrictions often associated with owning a historically registered home:

- **Additions:** You may not be allowed to add an extra story to the house.
- **Windows, shutters, roofs:** Any structural items such as these that

embody the original architecture of the home can only be replaced with the same kind.

- **Taxes:** Tax levies for merely living in a historic neighborhood may be higher than others.

- **Bills:** Older homes may be draftier and larger than their newer counterparts, which also makes them harder to heat during the winter and cool during the summer. This can lead to a high

electric bill.

Trusting your judgment is the most important thing to remember when considering owning a historic home. You will likely be taking on large-scale projects to update the home in ways that are both compliant to historic registries and in line with your own aesthetic goals. If you’re up to the challenge, owning a one-of-a-kind home can be a great reward for your efforts.

# Add Value to Your Home

**W**e all want to know that our home is increasing in value over the years. Unfortunately, that's not always the case. The value of a home can fluctuate depending on what's going on in the neighborhood and town.

Some appraisers may find value in certain home improvements compared to others. And the list of variations goes on.

Fortunately, there are many surefire ways to add value to your home without breaking the bank and without questioning if you're making the right decisions.

## THINK SMALL

Think really small. Tiny mosaic tiles make for the perfect kitchen backsplash and add bigtime value to your home. These pieces come in 1-inch squares of varying colors, finishes and textures. Stick to neutral colors if you're planning on selling anytime soon to avoid putting off any potential buyers.

Small flowers or solar light fixtures in front of your home also can do wonders in improving the value of your home. That's because curb appeal plays a major role in how much a buyer is willing to pay for your home. Keep your design colorful and simple for maximum impact, as too many flowers and decorative touches can turn off potential buyers.

## TRANSFORM YOUR KITCHEN

Keeping your kitchen cleanly designed and updated is one of the best ways to add value to your home. The kitchen is the room many home buyers consider most memorable from a showing. That's because of the time spent in the kitchen entertaining and cooking with our friends and family members.

Give your kitchen some warmth with

high-quality, vibrant lighting that helps brighten up the room. Re-face your cabinets or simply add new hardware. Update your appliances with stainless steel or slate finishes. Swap out your old countertops for natural quartz or granite. These are just a few ideas that can transform your kitchen from plain to picturesque.

## BEAUTIFY YOUR BATHROOM

Next to the kitchen, bathrooms are often the most financially savvy rooms to update. They can be improved without a lot of cash, and the changes can add tremendous value to your home.

Changes can range from installing a new pedestal sink to adding can lighting above your vanity. You also can con-

sider adding a new prefabricated tub and shower surround, or a new, water-efficient toilet, to your bathroom's repertoire. Any discolored flooring can be easily replaced with vinyl tiles. New vinyl tiles on the market are designed to look like wood flooring, which can give any bathroom a nicely updated look.





# How to Evict a Tenant

Every landlord hopes for dependable tenants who respect their home and pay rent on time. Unfortunately, that's not always the way the cookie crumbles.

The University of Wisconsin Law School reported a 10-percent increase in eviction cases filed against tenants from 2010 to 2013. Research out of Maine, Massachusetts and other states across the country showed even higher percentages.

An unstable economy has contributed to many tenants not being able to consistently come up with the rent. As a landlord, it is your decision how flexible you will be when it comes to collecting past due balances. Sometimes your relationship with tenants can sour, which can lead to a situation that requires legal action.

Here are some of the most common situations leading to evictions:

- Being considerably and consistently late on rent payments.
- Living on the property after the lease expires.
- Inflicting major damage to the property.
- Breaking specific rules you've set, such as smoking or pet restrictions.

To end your lease agreement early with a tenant, you must follow the legal steps that you hopefully outlined in your rental contract signed by both parties. If you don't, you



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could lose your eviction case.

## THE EVICTION PROCESS

In many states, tenants are afforded certain rights when it comes to the eviction process. As a landlord, you may be required to give your tenant a

written warning first with ample amount of time to either correct the situation or find a new living situation. A judge may not decide in your favor if the evidence shows you gave no such grace period.

The main items to include in

your eviction warning notices are the date of delivery, timeframe to correct the problem and the date you will file the eviction. You should either hand-deliver the notice or leave it posted on the tenant's front door.

You can find a copy of the Landlord and Tenant Act on your state attorney general's website. The act spells out the legal process for evicting a tenant. Follow this procedure to the letter for the best chance to win your case in court.