

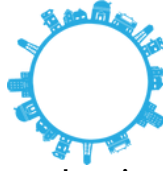


CITY INSIGHT
HOUSTON

7 INVESTMENTS TIPS FOR BUYING A VACATION PROPERTY



BEACH HOUSE Buyers Guide



Do you dream of waking up every day to the view of clear blue skies and the calming sound of the waves? I bet you also love the smell of the ocean and the warmth of the sun. If living by the beach has been your life goal, I'm sure the thought of investing in a beach house has crossed your mind a lot of times.

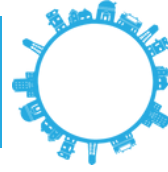
IS A VACATION PROPERTY A GOOD INVESTMENT?

Buying a vacation property could be the first step to reaching your dream. You get to live the life you want and it could also serve as an investment when managed properly. If you have a vacation house, you have the option to do mini vacations and stay in your property whenever you want or offer short-term rentals for tourists. However, having a vacation property has its pros and cons. It might seem like a good deal but you also have to consider that, most probably, the time when you would want to stay in your beach house will also be the time when most people would want to rent the property. So, would you be willing to give up the potential income to fulfill your leisure plans?

Investing in a vacation property can actually be beneficial if done right. It all boils down to what your objective really is. If your objective is to grow your income and you are able to stick with it, it can be a good investment.



7 INVESTMENT TIPS TO FOLLOW



01 BUY ONLY WHAT YOU CAN AFFORD

Like any other purchase, big or small, that you'll make in your life, buy only what you can afford. Especially when it comes to investing in real estate, make sure that you have enough savings, emergency fund, money for downpayment, and income to cover the monthly mortgage before buying a property. Prepare your finances and consider other possible costs that could arise aside from the property price.

Most buyers of a vacation house are buying it as their second property. So for vacation home buyers, it is highly essential to ensure that your finances are in-check and know every cost that buying a vacation home entails. Consult with your real estate agent to make sure that you understand everything about the process of buying a vacation home. Remember that buying a property should be an investment. And if you just end up getting deep in debt for it, then all your efforts might just go to waste.

02 MAKE SURE THAT IT MAKES A GOOD RENTAL

What do you plan to do with your new beach house? Whether or not you decide to make money out of your new vacation home, it would be safer to make sure that it can be a good rental business. With this, you could be able to make the most out of it should you decide to profit from it.

One of the ways to know if a property is a good rental is by being its guest. Sometimes, properties that are in the market are still being rented. If you are lucky enough to find a property for sale that is still being rented, this is your perfect opportunity to experience what it's like to be its guest. Check out the views, its proximity to restaurants and attractions, and what it's like staying in the home for a few days. Take note of what you love about it and what other things you'd want to change or improve. Also, a vacation home rental has its peak and low period depending on the season. So you might want to visit the place during every season to research about how the area is like during different times of the year.



7 INVESTMENT TIPS TO FOLLOW



03 HIRE AN AGENT WHO KNOWS THE AREA

Since you are buying a vacation home, most likely the location is different from the place you live in. The best way to ensure that you are making informed choices is by hiring a real estate agent who knows the area. Having someone who is knowledgeable in real estate and knows the area well is a great strategy to find the best deals and make the right decisions. With expertise in the industry and necessary information about the location, your home buying journey will definitely run smoothly.

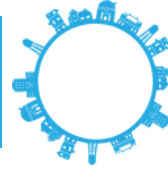
04 ADD EXTRA COSTS TO YOUR BUDGET

Once you know the cost of the property, you'll need to factor in all the other extra costs. These can include taxes, monthly utilities, repair and maintenance costs, a budget for furnishing the property, home upgrades, a caretaker or property manager, and the list goes on.

To get a good idea of these costs, you'll want to interview people who either live full-time in the area or own similar vacation homes. Properties near beaches or mountain areas also need special maintenance as exposure to sand, salt, wind, or ice can cause damage over time. When you have a good number for these expenses, add a 10% markup to get a worst-case-scenario budget and for contingency purposes.



7 INVESTMENT TIPS TO FOLLOW



05 PLAN YOUR DECOR AFTER CLOSING

First impressions matter – and it can make or break your income. People looking to rent will make a decision based on how good your property looks in photos, aside from the pricing and amenities you're offering. While it's best to hire an interior designer to decorate and style your space, you can also choose to do it on your own. Make sure that you pick a unifying theme to make the style consistent throughout the house.

Beach themes with cool blues and greens, rustic themes with neutral colors and wood, or a minimalist theme are some stylish ideas that can be easily incorporated. Also, remember to be thoughtful with small details and avoid using too much old or hand-me-down furniture.

06 CHECK OUT GOOD PROPERTY MANAGEMENT COMPANIES

If you live far from the vacation home and won't be there to manage it, then it's best to find a trustworthy property management company. Make sure to check their credibility, licenses, and experience when it comes to managing short-term rental homes. Look for a property manager that is reliable and easy to communicate with. Take the time to interview them, ask for reviews, compare quotes, and follow your gut feeling.

You must also make sure that you fully understand your contract with them to know when they are violating your agreement. It might take some time to find the right company, but it is crucial since you are entrusting them with your rental business and vacation property.





LOOK AT IT AS A FORM OF RECREATION

Last but not least, look at your vacation property primarily as a form of recreation rather than an investment. Any expert will tell you that buying a vacation property is not the best way to invest your money. So if you choose to buy one, make sure that it is something that you and your family will love and enjoy for years to come. You might end up earning double or triple of what you were expecting, or you might end up only having a few bookings each year, either way, you'll get your money's worth if it's a property that you and your family will go to a lot for vacations – taking caring of it for generations to come.

Now that you've read these investment tips for buying a vacation home, are you ready to take the plunge?

CONTACT ME!

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or call me at 832-405-9575 and let's discuss your dream vacation home together!

Erick Mariscal!