



## **Retire the Right Way: Tips on Finding a Retirement Vacation Home**

People are living longer than ever. In fact, about [10,000](#) people turn 65 in American every day. With all those people living longer and healthier, the number of retirees seeking vacation homes in warm weather regions is growing as well. If you're a retiree living in northern Wisconsin or in the farthest reaches of New England, you've earned the right to a few months of warm weather, sun, and fun every year. It's great if you can make it happen, but there are several issues that need careful attention before you decide to sign on the dotted line.

### **Does It Fit Your Lifestyle?**

It's natural to focus on the attractions of living in Florida or Arizona, but some people fail to think through whether they're likely to take advantage of the beach, year-round golf, or boating. It sounds great, but it's not everyone's cup of tea. That's why it's important to think through your lifestyle and personal reasons for wanting a vacation home. Why invest in a vacation property if you're an indoors-type of person no matter where you are? This is especially important if there's a chance you could end up making your retirement home your full-time home.

### **The Family Factor**

It makes sense to factor in your [family members](#) when deciding on a vacation property. For many people, a vacation retirement home is a place where extended family can get together or use the place for a vacation retreat when it's available. Survey family members to gauge their interest in such an opportunity, as well as how often they'd be likely to visit. Bear in mind that long-distance airline travel isn't an option for people who just don't have the means. Will you subsidize their travel to help make the most of your investment? If so, you'll need to incorporate that into your finances. And of course, you'll need to look for a house large enough to accommodate everyone who might want to visit.

### **Think Location**

[Location](#) -- the one overriding factor of real estate -- is just as pertinent for vacation homes as it is for any other property. If you and your spouse enjoy visiting Florida's Space Coast or the Outer Banks of North Carolina and want to focus on one of those areas, do your research and find communities with high resale property values. One tried-and-true method is to engage a realtor, someone local who knows the market inside and out, to find prospective homes in the best neighborhoods. Make sure your target community has the kind of amenities you want, such as a community center, a neighborhood association, a pool, and recreation facilities. Try to focus on properties in non-high-risk areas in order to keep insurance costs down.

### **Income Versus Expense**

Remember to compare your [retirement income](#) to the cost of purchasing a vacation home. Getting in over your head in your 60s or 70s is a nightmare in the making, especially if you're a retiree without an active source of income like a part-time job. Think through every expense, including the mortgage payment, homeowners association fees, property taxes, [property insurance](#), property upkeep, and more. And don't forget the cost of furnishings, which can add up quickly. To keep costs down, consider multifunctional furniture, such as chaise sectionals, beds with storage, or [ottomans with stools inside](#). Thankfully, it's easier than ever to shop for furniture online, and if you do it right, maybe even get free shipping. Having furniture shipped directly to your vacation property can save money and time.

Renting out your property could be an excellent source of income and help pay for the mortgage. If this is your intention, make sure you [modify your home](#) to satisfy renters' needs. An upgraded and fully stocked kitchen, attractive landscaping, and a swimming pool could significantly increase renter traffic. Even small changes can make a big difference, such as buying high-quality mattresses and providing plenty of fluffy towels in the bathroom. For the bigger projects that are best left to a contractor, communication is key. Let them know your budget and leave no detail of your plan out. You'll also need to [budget for](#) a property manager, someone who can act on your behalf when you can't be on the scene.

Be sure you know how you'll use a vacation property, which will help determine where you look. Always think resale, and canvass family members to get a feel for how often they might visit and vacation there.

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