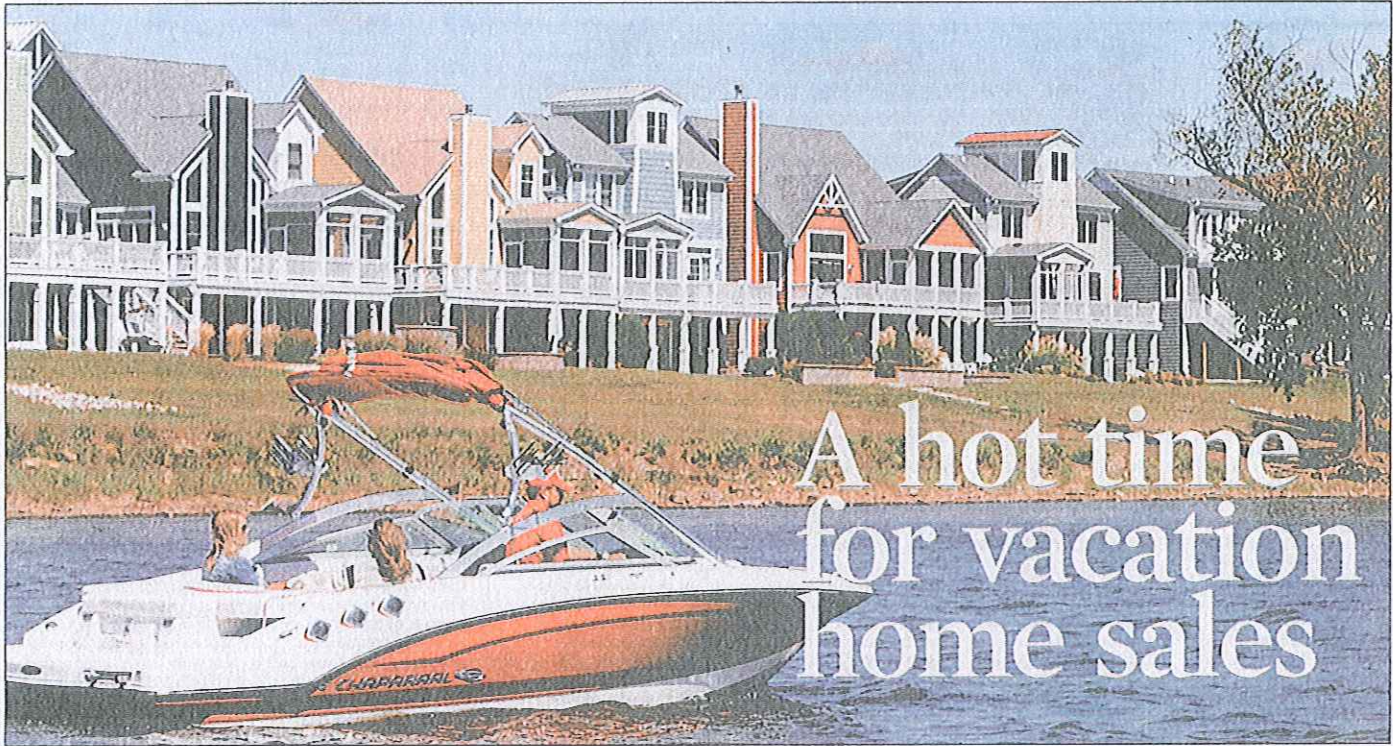


Chicago Tribune

REAL ESTATE



JOHN HANDLEY/FOR THE CHICAGO TRIBUNE

A speedboat cruises by homes overlooking the Illinois River at Heritage Harbor Ottawa, a new vacation home resort near Starved Rock State Park. Water views are a big selling point.

Fall is ideal season to get bargains on Midwest properties

BY JOHN HANDLEY
Chicago Tribune

With autumn leaves starting to fall, future vacation plans may be furthest from your mind. Those good times at a summer cottage by the lake, the beach house or cabin in the woods are just memories. But for those planning to buy a vacation home, fall is an ideal time to start shopping.

After years of slow sales, vacation properties are hot again because of good deals and pent-up demand, according to the National Association of Realtors. Last year, vacation home sales soared to 1.13 million, surpassing the pre-recession peak level in 2006, according to Adam DeSanctis, economic issues manager for the trade group.

In the Midwest, the offseason is an ideal time to bargain hunt because sellers are even more motivated to unload their properties.

"Those who want to sell their vacation home are getting a little nervous," said Rob Schaid, broker/owner of Re/Max Plaza in McHenry. "Summer is over, and they're still waiting for a reasonable offer."

With fewer buyers around, sellers may be

more willing to negotiate. "Sellers are willing to take a little less, particularly for homes on the water," said Schaid, who specializes in the Chain O'Lakes area.

"It's a buyer's market for residences on (the waterfront) because prices are too high, but it's a seller's market for homes not on the water," he said.

Schaid said many waterfront listings in the Chain range from about \$150,000 to \$300,000. The median price of recently sold properties was \$214,500.

In Wisconsin's Door County, vacation home sales are strong in October, according to Dennis Starr, associate broker at ERA Starr Realty in Sturgeon Bay.

"Fall is a busy time for sellers to really negotiate, because if they don't sell now, they will have to wait until next spring," he said.

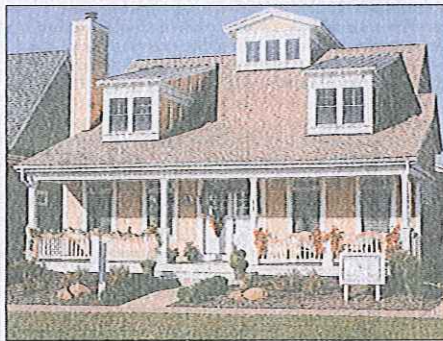
While waterfront getaways are always popular, he said there also is demand for second homes in woods and in farmland areas.

In the first half of this year, the median price of waterfront properties was \$298,000, according to the Door County Board of Realtors.

Some people who retired to Florida are pulling up stakes and moving to Door County, Starr said.

Saugatuck, a popular getaway for Chicagoans on Michigan's lakefront, has been attracting investors.

"There are a lot of investors here who buy and



HERITAGE HARBOR OTTAWA RESORT

A home for sale at Heritage Harbor Ottawa. After years of slow sales, vacation properties are hot again nationwide.

rent vacation properties," said Jim Sellman of Shoreline Realtors in Saugatuck/Douglas.

He said average home prices range from \$250,000 to \$300,000, but waterfront residences go for \$1 million plus.

Sellman pointed out that non-tourist season brings a different vibe to the resort area. Homebuyers can get a true feel of what Saugatuck is like as a community.

"Another reason for buying in the offseason is that it will give you time to make repairs or remodel so that the house will be ready for the fun season in summer," he said.

As for lower prices now, he said it depends on the owner. "But some will say, 'Winter's coming. I really want to sell. Bring in all offers.'"

While much of Sauga-

dos, apartments, a boutique hotel and a senior living facility.

Water views are a selling point. Balconies overlook the river, while other homes offer views of the marina with 131 slips. A restaurant is next to the harbor.

"We cater to boaters," said Tom Heimsoth, owner and developer of Heritage Harbor along with his business partner Mike Sitterly.

The development's entry into the vacation-home market in 2008 was marked by bad timing.

"Timing was not our friend," Heimsoth said. "But we decided to ride out the economic downturn, and it's working well."

Prices at Heritage Harbor range from \$159,000 to \$249,000 for cottages to \$350,000 to \$500,000 for town houses. Single-family homes start at \$325,000 and lots at \$90,000.

Heimsoth believes vacation homes have a strong emotional lure, noting "many people say their best memories are from family vacations."

The simplicity of life on the water was a big draw for Jeff Gerald. His waterfront cottage is less than an hour's drive from the family's permanent home in Naperville.

"I never miss a weekend. It's like being in a different state," Gerald said.

"Fall is the most scenic time to take a boat out on the river because of the colorful trees along the

banks. In winter, bald eagles can be spotted," he said.

Gerald bought a two-bedroom cottage two and a half years ago and another unit last November that he rents.

Many buyers of vacation homes make them more affordable by renting their units when they are not there.

DeSanctis attributes the upward trend in vacation home sales to baby boomers.

"They are the big customers. The leading edge of the boomers are close to retirement or already there. They may be buying vacation homes now or for later retirement," he said.

Owners of vacation homes have them for a variety of reasons. One-third are used for vacations or as a family retreat, 19 percent are planned as a future primary residence, 13 percent are purchased for price appreciation, and 37 percent will be rented, according to the "Investment & Vacation Home Buyers Survey 2015" by the National Association of Realtors.

Forty-percent of vacation buyers purchased in a beach area, 22 percent in resort areas, 19 percent in the country, 17 percent in the mountains and 15 percent by lakes.

Except for mountains, all these hot spots can be found in the Midwest.

John Handley is a freelancer.