

To Own or Rent? Both Make Sense

When it comes to vacation properties, not knowing whether to rent or buy is a good problem to have. As the housing market continues a sluggish recovery, the time to purchase a vacation property might be sooner rather than later, while real estate prices remain below well below what they were before the 2008 financial crisis.

Graham Klemm President of Klemm Real Estate in Litchfield County, Conn. said that he and his brother have both purchased property in the past 12 months.

"When brokers start buying you know there are good buys out there," he said. "If you know the location you want to be at and like it and want to be there for the long term, I think it'd be a very smart buy."

To rent a vacation home in Litchfield County, amid the rolling hills, streams and lakes, can cost anywhere from \$25 to \$100 thousand for three months over the summer. Over the long-term, Mr.



Klemm said, buying can be a money-saver.

"Rent prices have been relatively stable since the downturn. Mr. Klemm explained. "The rent prices haven't come down in lock step with the purchase price."

Making a big purchase right now isn't for everyone though. For younger professionals who have recently come into money or for people who just like to mix it up, renting might make more sense.



"If you just wanted to test an area or just wanted to be somewhere a month or two or three a year, I think you'd be smart renting," Mr. Klemm said. "You can always rent something and walk away and be done with it."

Mr. Klemm also reminded us that the Hamptons aren't the only place in the world to vacation.

"All buyers generally compare our values to the Hamptons," he said. I think that the values in Litchfield County are better than those in the Hamptons or



Fire Island. As far as I can see, you get more for your dollar."

And while you don't get the ocean in Litchfield, you can still have waterfront views.

"In Litchwood County you can be waterfront for a million bucks," Mr. Klemm said. "The waterfront up here is a lake or a pond or the river—not the ocean. You get privacy, you get views, you get acreage, you get more square footage and a better quality of life I believe."