



On a warm summer evening, there's no better place to relax in Old Town Steamboat Springs than the porch of a bungalow like this one, designed by architect Robert Hawkins.

Where to buy now

The West's most popular places to find your second home

BY JOYANNA LAUGHLIN

If you're thinking about buying your own little seaside cottage or mountain cabin, you're not alone. Americans bought a record 1.02 million vacation homes in 2005, up from 872,000 in 2004, according to the National Association of Realtors (NAR). Twenty percent of those were sold here in the West.

We scouted around for our top 10 hot vacation-home spots. Our main criteria? A growing second-home market, great recreational opportunities, relative affordability (the median price of a vacation home was \$204,100 in 2005, according to NAR), and a small-town lifestyle, from art galleries to coffeehouses and farmers' markets.

1. Steamboat Springs, Colorado

The locals here have a name for their friendly attitude: "Steamboat genuine." The town offers excellent skiing in winter, and hiking, biking, and fly-fishing in summer. Steamboat's population is 10,115, and more than half of the homeowners are second-home buyers, according to Michelle Avery, a realtor with Coldwell Banker Silver Oak Ltd. Condos are \$250,000 and up, and houses are \$450,000 and up.

www.steamboat-chamber.com

www.buysteamboat.com

2. Silver City, New Mexico

Home base at one time to both Billy the Kid and Geronimo, Silver City now has a population of about 10,000, a university, an eclectic art community, and access to more than 3 million acres of national forest. In other words, it's been discovered, says Tim Donovan of Smith Real Estate. Nearly 50 percent of the homes Donovan has sold in the last two years have been second homes. The median home price is \$220,700; the average price of a house is \$330,229.

www.silvercity.org

3. Bisbee, Arizona

In the early 1900s, Bisbee was a mining boomtown and the largest city between St. Louis and San Francisco. Today Bisbee's population is roughly 6,000, and the town has a mini San Francisco feel to it, says Shirley Mac of Haymore Real Estate's Bisbee office. Homes range between \$100,000 and \$300,000, although there is the occasional mansion for \$1.5 million.

Twenty percent of Mac's home sales are to second-home buyers. www.bisbee-arizona.com

4. McCall, Idaho

With nearly 2,500 residents and access to world-class rafting, fly-fishing and two nearby ski resorts, McCall is an alternative to better-known and more expensive Sun Valley. Mike Anderson of McCall Real Estate company says prices in McCall range from \$200,000 to \$11 million. In Blackhawk, which is an environmentally aware development situated along the Payette River, home sites start at less than \$200,000. www.mccall-idchamber.org

5. Truckee, California

At Truckee, located in the north Lake Tahoe area, East West Partners is developing a world-class ski and golf resort called Tahoe Mountain Resorts. Among the area properties that are being transformed and expanded is the Northstar-at-Tahoe ski resort. New condominiums and townhouses range from \$550,000 to \$5.8 million. A *Sunset* Idea House will open there in 2007. www.tahomountainresorts.com

6. Julian, California

Tucked away an hour east of San Diego is Julian, a colorful mining town that's become a local B&B capital and a vacation and corporate-retreat destination. Famous for its apples and apple pie, the town and its surrounding hills and nearby desert have about 3,000 full- and part-time residents; home prices range from \$300,000 to \$2 million. www.julianca.com

7. Olivia Beach, Oregon

Located on the coast, Olivia Beach is a new 89-home community across the street from some of the best surfing and the only tidepools in the area. It's a short walk to the ice cream shop, movie theater, and mall in friendly Lincoln City (population 7,437). Prices start in the low \$400,000s. www.olivia-beach.com or www.lchamber.com

8. Park City, Utah

It may well be the Aspen of Utah, thanks in part to great skiing, its proximity to Salt Lake City, and the Sundance Film Festival, founded by Robert Redford. House prices are in



the millions, but condos within the city limits—not in the ski areas—start at about \$380,000. www.parkcity.com

9. Winthrop, Washington

Located on the eastern slopes of the Cascades in Washington's Methow Valley, Winthrop is an emerging second-home market. A flourishing arts community attracts talented, self-starting people to this small community of 351 residents. Condos are available in the mid-\$200,000s, while homes start in the low \$300,000s. www.winthropwashington.com

10. Bigfork, Montana

In the Flathead Valley gateway to Glacier National Park, Bigfork (population 1,600) beckons second-homers looking for a rustic, water-oriented setting. Typical houses are in the \$200,000 to \$500,000 range; anything on Flathead Lake starts at well over a million, according to Linda Bonar at Bigfork Realty. www.bigfork.org

Second-home strategies

While most people buy second homes using conventional financing, some are taking different approaches. Here are a few options.

- Pull equity out of a primary residence to buy a second home. This has become a popular investment diversification strategy in recent years.
- Rent your primary home

and purchase your second home. This strategy might work well if you are planning to retire to the second home one day.

- Buy a vacation home and rent it out when you're not using it, to help pay for it.
- A growing number of people around the West are considering fractional ownership,

a fairly new option in which owners purchase fractional shares in a vacation home and use them for a certain number of weeks per year. While it may sound similar to most time-shares, in a fractional ownership program you own a portion of the vacation property and get a deed (that appreciates) for your share.