

# Why Quarter Ownership Makes Sense

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Quarter Ownership (QO) is a fantastic way to purchase recreational property for one simple reason: It makes sense.

Let's begin by taking a step back. No one really needs a second home...or a third home...or a fourth home. Presumably, if you have that level of discretionary income you can certainly rent the world's finest properties and avoid all the pain of repair, maintenance, cleaning and guilt. Yes guilt.

## **70 PER CENT OF ALL NORTH AMERICANS FEEL THAT OWNING A SECOND HOME IS A SYMBOL OF SUCCESS.**

That said, 70 per cent of all North Americans feel that owning a second home is a symbol of success, a badge to be worn proudly in public as living proof that you care for yourself, your family and your future. It is proof positive that "pride of ownership" has a stronger attraction than "reason" when it comes to a second home that will likely sit empty 94% of the year. This same vacation home generates little or no income, incurs significant monthly/annual costs and wracks the owner with guilt as "working to pay for it" takes more time than getting to use it.

Research on this topic has been extensive. Give or take a day, the average family uses their vacation home only 19 days a year. If you happen to have inherited the family cottage at the lake (circa 1925) then there is no problem. However, if you need to purchase a vacation home today at today's prices and only end up using it 19 days/year, you have a big problem. Oh sure, you will be "different" and you will go there every weekend! Well, research says you won't, especially after the excitement of the first couple of years has worn off.

So what about other options? Well, you could buy a house with your sister and

her husband and his family...and all of their family...you get the idea. Not a good option. How about a condo hotel? Very nice, very small, very restrictive usage. No good. How about a building lot? You could build your dream cottage, spend a small fortune and still never get to use it. Another bad idea.

So what is the answer? We can't change the desire of 70 per cent of the population. We can't change the need for "pride of ownership" (that means time share and Vacation Clubs are out). But we can change the sensibility of the second home purchase by taking a fresh look at QO.

In the early days, a number of "fractional offerings" were tried including 8ths, 10ths and 6ths. To shorten the story, each was too much like a vacation club and not enough like real estate. Quarter Ownership is now the standard and ensures that your home is your home - not the "unit" you are assigned when checking in - like at a hotel. Quarter Ownership can also be financed by a traditional mortgage, left to your family in a Will and bought or sold without affecting anyone else. Best of all, Quarter Ownership is the closest match to the "actual" usage patterns of the typical North American family.

## **QUARTER OWNERSHIP IS THE CLOSEST MATCH TO THE "ACTUAL" USAGE PATTERNS OF THE TYPICAL NORTH AMERICAN FAMILY.**

Time to re-visit Quarter Ownership:

- *Symbol of success*
- *Pride of Ownership*
- *Genuine Real Estate*
- *13 weeks of annual usage*
- *Superb "trophy real estate" locations*
- *Fully furnished*
- *Fully managed to capture rental income*

- *"Lock and Leave" lifestyle - no repairs, maintenance or guilt!*
- *Capital Appreciation of QO is tracking at the same rate or higher than traditional "whole ownership"*

There are clearly many reasons for the tremendous success Quarter Ownership has enjoyed during the past 15 years. The biggest players in the Real Estate industry have recognized the trend and today, there is hardly a major resort left in North America that doesn't have a QO offering.

## **QUARTER OWNERSHIP SIMPLY IS THE MOST SENSIBLE, COST EFFECTIVE AND LUXURIOUS WAY TO INVEST BOTH IN LIFESTYLE AND REAL ESTATE.**

There is also another key benefit to QO that I haven't mentioned. Quarter Ownership allows you to spread your discretionary income around the country by owning vacation homes in several resorts instead of just one. The idea seems strange at first because it would seem that a lower point would make it easier for "first timers" to get into the vacation home market yet the reverse is more often true - "wealthy people" are the largest purchasers of QO real estate. Those who could purchase nearly any property in any resort have told me, time and time again, that the "smart money" would rather have more superb homes in outstanding locations, a worry free holiday lifestyle and the solid capital appreciation that QO offers - ahead of the other options for vacation home ownership.

In a single thought, Quarter Ownership simply is the most sensible, cost effective and luxurious way to invest both in lifestyle and real estate. It just makes so much sense.

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