

Pacaso™



Second Home Sentiment Report

Q4 2020



INTRO

Assessing the U.S. Second Home Market

As Covid-19 has fundamentally changed our lives in 2020, Americans from all walks of life are looking for an escape from the everyday work-from-home, school-from-home isolation. For many who are able, that has meant escaping to a second home or pursuing the dream of buying one.

Indeed, our survey shows Americans who do not already own a second home are much more likely to want one today compared to before Covid-19. More than half (55.7%) say they desire to own a second home, compared with 46.4% before Covid-19. People are looking for homes within driving distance, but aren't always sure where exactly they want to buy.

This and more are captured in the first annual Second Home Sentiment Report — a survey-driven report intended to identify trends around second home ownership — from [Pacaso](#), which creates a more accessible category of second home ownership by enabling easy real estate co-ownership, and [The Escape Home](#), a newsletter and community for second home owners and those who want to be.

This report uses data from two surveys — one conducted online in November 2020 of more than 2,000 Americans, and one of active Pacaso second home seekers in late 2020. A previous survey was fielded online in February 2020.

“It’s no surprise that more people than ever dream of owning a second home in the midst of Covid-19. Second homes have become a refuge, providing a change of pace and a place to create special rituals. We expect to see interest in second homes continue to grow.”

Austin Allison, Pacaso co-founder and CEO

¹ The survey, sent via SurveyMonkey's online panel, captured the responses of 2,068 American adults, 295 of whom own second homes.

² The survey was sent directly to people who inquired about Pacaso homes between October and November 2020. 170 people responded to the survey.

In Role Reversal, Men Take Charge of Buying Second Homes

For years, studies have consistently shown women are in the driver's seat when it comes to making most of the home purchasing decisions for their families — at least when it comes to their primary homes. But as the desire to own a second home grows amid stay-at-home orders during Covid-19, men are playing a more active role in second home purchases.

Nearly 70% of the people who contact Pacaso to ask about buying a second home are men. By contrast, women historically drive 91% of the decisions around buying a primary home.

Of women whose male partners take on the majority of the work associated with buying a second home, 70% said it was because their spouse has more real estate knowledge, but 60% said it was also because he has more time.

The men who take charge of the purchase say the most common reason (71%) was that they have more experience with real estate transactions. Of the women who take charge, they most commonly (67%) said it is because they are more emotionally invested in the purchase, although 61 % also said it is because that they have more experience with real estate transactions.

“We are constantly faced by news about women dropping out of the workforce amid Covid-19, overwhelmed with childcare, teaching and working. Perhaps this is a hopeful sign that men are taking on more of the ‘mental load’ and taking charge of making the shared dream of second home ownership a reality.”

S. Mitra Kalita, Founder and Publisher, The Escape Home

Second home dreamers held back by cost; aren't sure where they'd buy

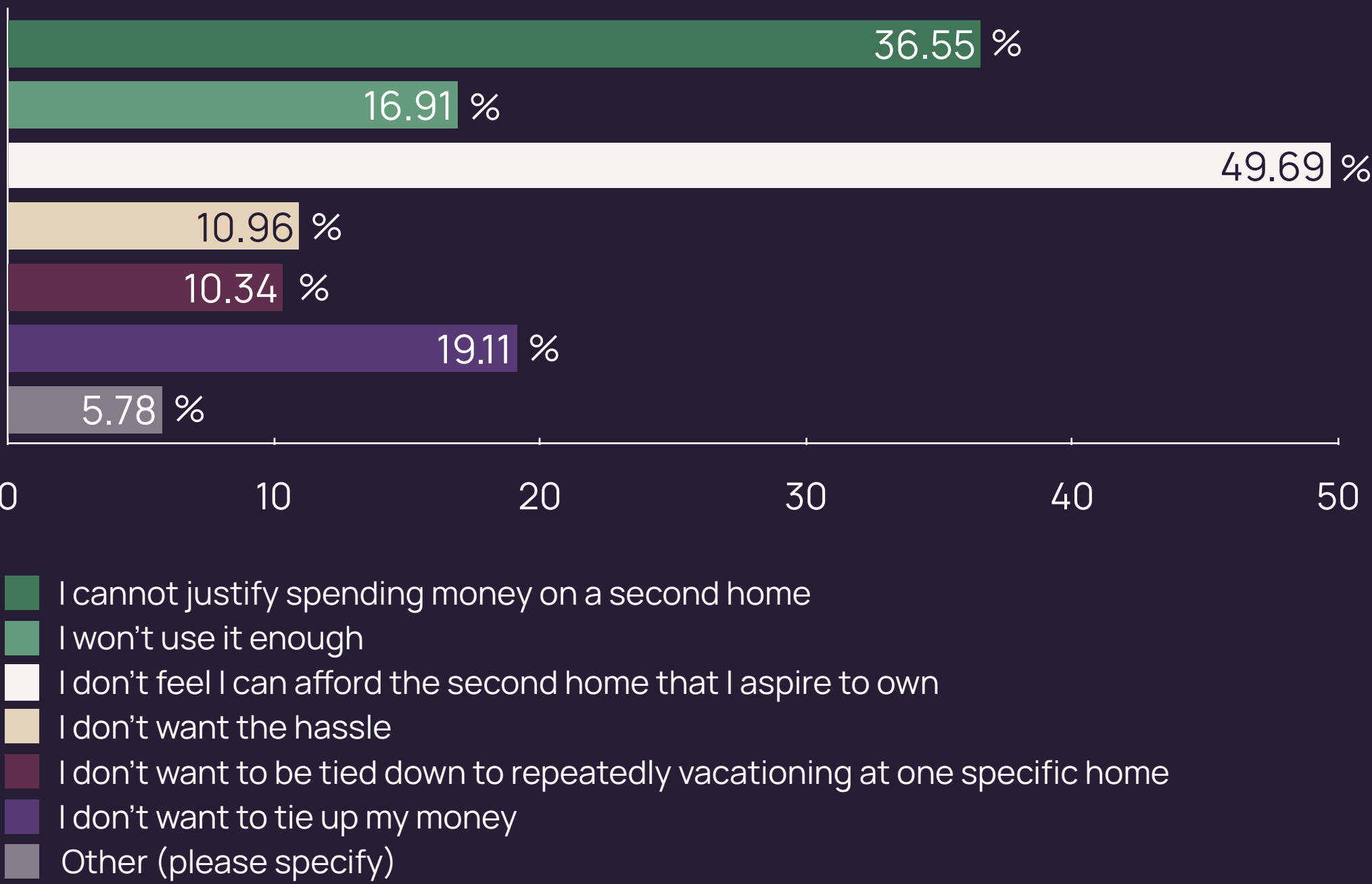
Of the people who desire to own a second home but don't already, nearly half (49.7%) said an inability to afford the home they want is holding them back from purchasing. More than one-third (36.6%) said they can't justify spending the money on a second home, and 16.9 % said they won't use the home enough.

Second home dreamers overwhelmingly would prefer to drive to their second home (70.9%) versus fly (26.7%). But close to half (45.1%) aren't sure where they'd want their second home to be — a fact corroborated by Pacaso's data from its October launch, which showed well over half of people inquiring about second home co-ownership weren't sure where they wanted their second home to be located.

³ <https://hbr.org/2009/09/the-female-economy>

Aspiring second home owners have trouble justifying their purchase

Q. What is holding you back from owning a second home?

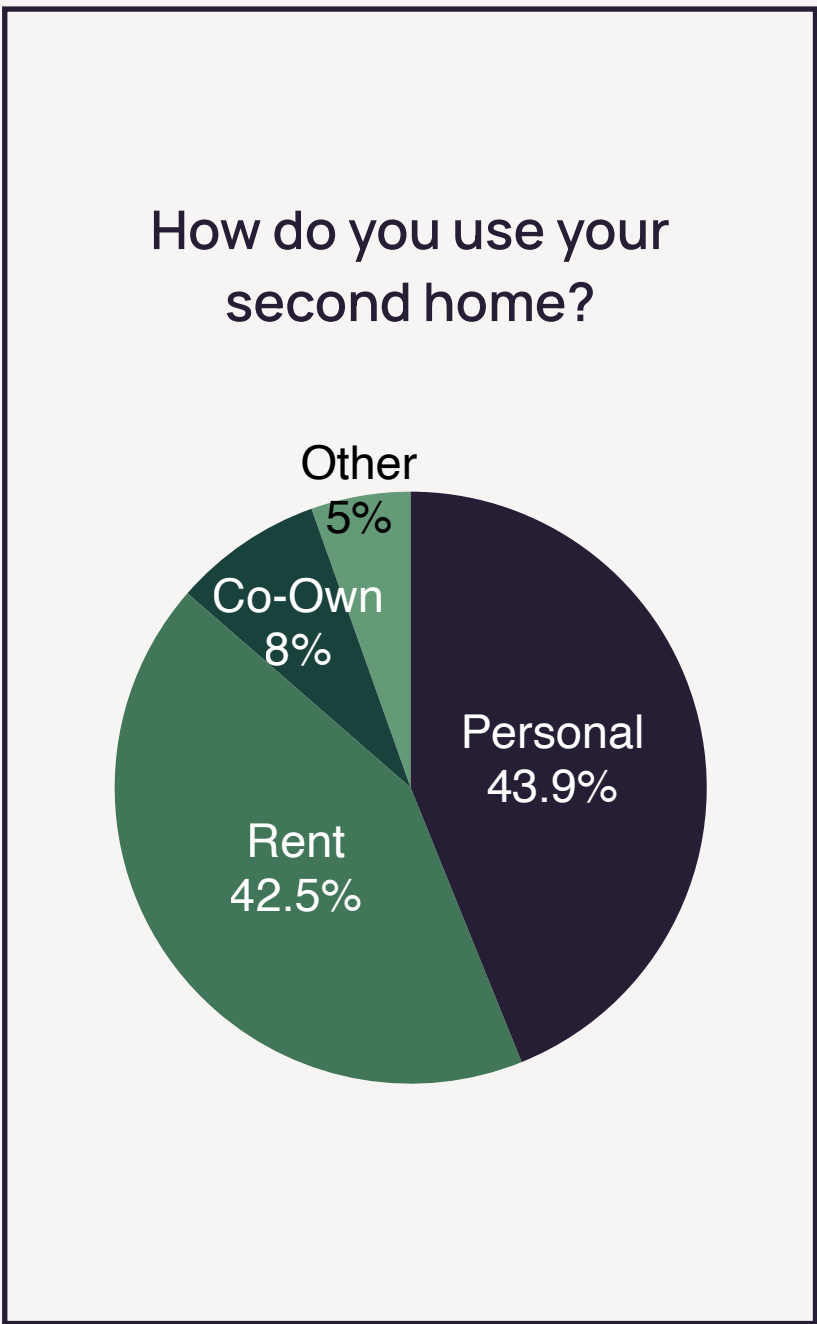
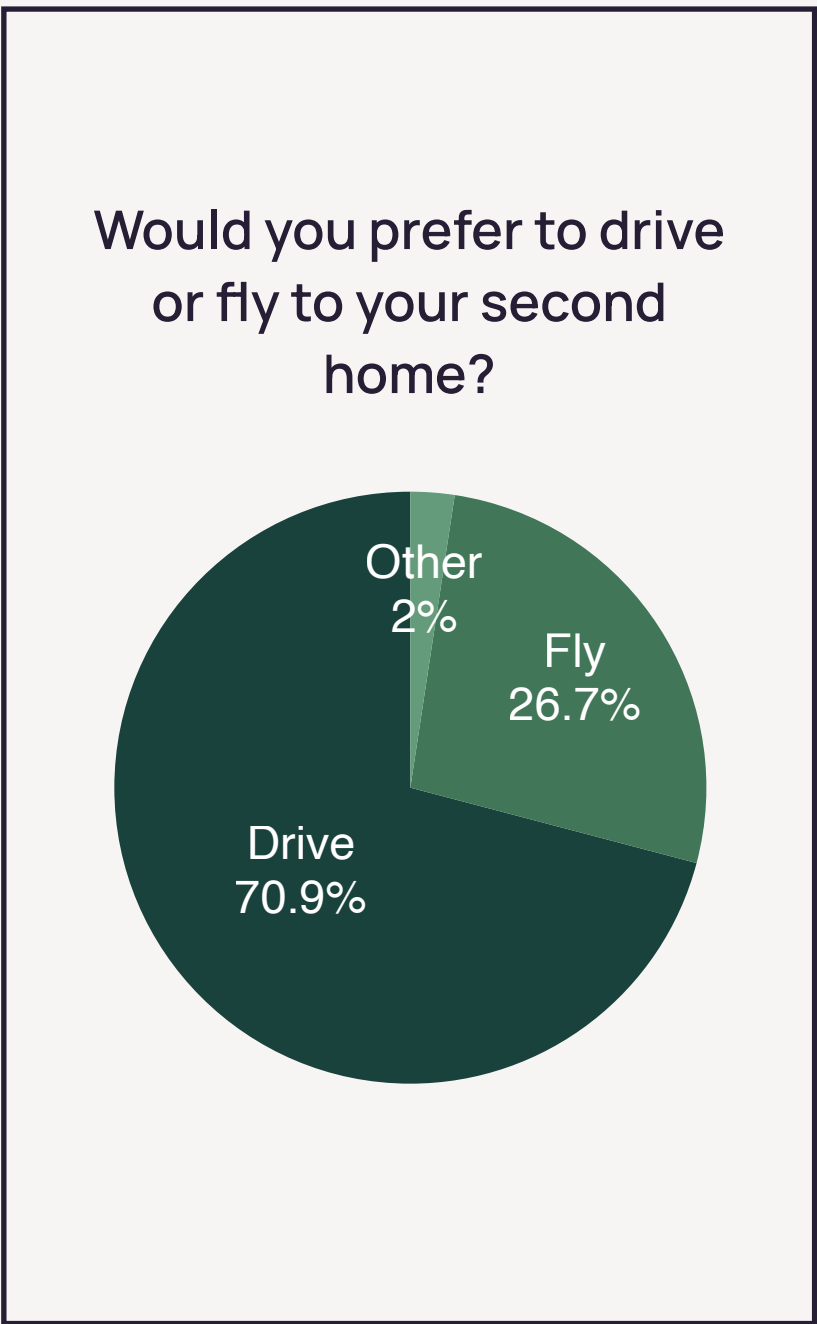


12% of second home owners purchased their home during the pandemic

While most (87.7%) second home owners bought their house before Covid-19, 12.3% bought during the pandemic.

Of current second homes owners, about half (49.3%) use their home for personal use only, and 42.5% sometimes rent out their home as a short-term rental.

Eight percent of second home owners co-own a home with another family.



How the pandemic is changing second home usage

Before Covid-19, only 25.6% of second home owners used their home more than four weeks a year. Now, during Covid-19, nearly a third (28.8%) use it more than they used to, while 52.9% use it the same amount.

Overall, 34.5% of second home owners believe they'll go back to using their home the same amount they did before Covid-19.

For second home design, modern and rustic aesthetics rule

When it comes to preferred design aesthetics for second homes, modern was the most appealing design (27.9%) followed closely by rustic (26.8%). Farmhouse design was selected by 15.2% of respondents. Contemporary (12.8%) and traditional (12.6%) were selected the least.

More people want their second homes near water rather than the mountains

When asked about their desired location type for purchasing a vacation home, respondents ranked homes near a beach or lake at the top of their list. Vacation homes in the mountains ranked third, followed by country and ranch locations. Urban/central city locales ranked the lowest.

Most people don't know exactly where they want to own a second home

When you think about where you'd like to buy a second home, how specific a location do you have in mind?

