

# The Third Home Comes Within Reach



Mike Mergen for The New York Times

**NOMADIC LIFE** Edrie Ferdun, left, and Jan Felshin at their Poconos house. They have two other homes.

By MELINDA BLAU

**W**INTER in the Florida place, summer at the beach house and a red and gold autumn at the mountain retreat. What could be more logical than following the seasons to experience the best time at each of your homes? It's hardly a new idea — families with means have followed the pattern for centuries. What's new is that this lifestyle is going mainstream.

Edrie Ferdun, 68, and Jan Felshin, 72, former college professors and partners for 45

years, don't fit the profile of the landed gentry, but like an increasing number of modestly well-off Americans, they have acquired the requisite three homes for a season-to-season lifestyle. In the winter they enjoy a warm and urban existence in their duplex at Miami's South Beach; in the summer they retreat to their cottage on Fire Island; and in the transitional seasons they enjoy spring wildflowers and autumn leaves at their rustic cabin on a creek in the Poconos. Each place is furnished and comfortable — they travel from one to another with their cat and minimal luggage in their 2001 Acura. "We've had three places so long," Dr.

Ferdun said, "that each one of them feels like home."

They began with two residences. Dr. Felshin commuted several days a week from their small mountain house in Tannersville, Pa., to East Stroudsburg State University, where she taught physical education, while Dr. Ferdun ran the graduate dance program at Temple University and stayed at their three-bedroom house in Philadelphia (which they have since sold). In 1977 they bought a two-bedroom cottage in Cherry Grove, on Fire Island. And in 1985 they paid

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Frances Roberts for The New York Times

**MULTIPLE-HOME OWNERS** Edrie Ferdun, left, and Jan Felshin in the Poconos; center, Ronnie and Paul Chernis at their home in Forest Hills; John Ottavino and Gilbert Rodriguez, right, at their place in Park Slope.

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\$15,000 for a studio unit in a refurbished motel in Miami's South Beach that they have now expanded, with additional purchases, to a two-bedroom duplex. "We didn't plan this," Dr. Ferdun said, "but we always loved to run away to special places."

So, apparently, do plenty of other people, and more and more are finding it possible. The increasing ranks of third-home owners include many retired or semiretired couples, but also people in their working years who need only a computer and high-speed connection to make a living. Others have children at home or are tethered to a job that requires their daily presence, but manage to get to their second and third homes often, and typically plan to embrace the seasonal lifestyle fully at some point.

It is impossible to pinpoint the actual numbers of third-home buyers because lending institutions don't distinguish between second and third homes. Every year, however, the National Association of Realtors uses courthouse deed records to solicit information from 100,000 people who buy and sell homes. The 2004 survey, spanning mid-2003 to mid-2004 transactions, added a new question about multiple homes.

"This was the first time we asked about second, third and even fourth homes," said Walter Molony, a spokesman for the group. Of the 8,206 subjects who responded, 14 percent had two or more homes, 4.3 percent had three or more, and 1.2 percent had four or more. The typical vacation-home buyer in

the age group from the late 40's to mid-50's earns \$71,000 a year and paid \$190,000.

"This is not just a millionaire's dream anymore," said Paul Bessler, vice president for strategic marketing at Centex Destination Properties, a developer in Dallas that focuses on high-end resort-like home properties. "Depending on the community, between 8 percent and 38 percent of our buyers have three homes or more." The current trend, he said, is driven by baby boomers who are reaching their peak earning years. He likened third homes to other luxury lifestyle markers that have trickled down from the have-a-lots to the mere haves, like spa vacations and multiple cars.

Zhu Xiao Di, a senior research analyst at Harvard's Joint Center for Housing Studies, also sees the trend. "While the inflation-adjusted average household income increased over time, the average household income of those having third homes actually decreased," he said. Using data from the Federal Reserve's Survey of Consumer Finances in 1989 and 2001, he found that third-home owners in 1989 had household incomes three and a quarter times the average of all households, while in 2001, they had just two and a half times the average. "It's still for the rich, but not that rich," he said.

Many new third-home owners profited from the increased value of their first or second homes. Low interest rates have been a factor as well but "aren't enough to explain this phenomenon entirely," said William Wheaton, director of research at the Center for Real Estate at M.I.T.

Some owners have also inherited third

*'It's still for the rich, but not that rich,' a housing analyst says of third-home ownership.*

homes or acquired them through remarriage. And some, by their own admission, were simply at the right place at the right time.

Paul and Ronnie Chernis, 70 and 66, started out renting a two-bedroom apartment in a high-rise in Forest Hills. He practiced law and she was a secretary to a federal judge when they bought a vacation home, a three-bedroom house in East Hampton that is now worth 10 times the \$89,000 they paid for it in 1982. Then came the 90's, and "I had good fortune in the market during the bubble," Mr. Chernis said. Cashing out his investments at the right time, he used part of his modest windfall to buy a \$374,500 three-bedroom apartment with panoramic views of the Intracoastal Waterway near Miami and had enough left over to make a down payment a few years later on a one-bedroom condo in Forest Hills, making them homeowners there as well.

The Chernises paid cash for their Florida property, but easier financing has helped others buy their third places. "The banks have lowered their standards, so you can make less and still qualify for a mortgage,"

said Suze Orman, the financial adviser and author. "Once, the debt-to-income ratio was 25 percent, but now it can be as high as 38 percent. Add to that the new kinds of mortgages — zero percent down, interest-only financing — and people can buy real estate today that years ago they couldn't."

THREE homes, of course, means three times the bills and accounts to manage, plus everyday complications that can slide into confusion. Ronnie Chernis said she worried that one of her houses might become a money pit. "You're always doing something — calling contractors, overseeing workers, making sure that everything is in order," she said. Many homeowners also rely on hired caretakers, an added expense, though others have family and friends to help with some of their properties.

They must depend on their own powers of organization as well. Bonnie Leff, 63, who, with her husband, Steve, 65, a retired advertising executive, migrates regularly between their homes in New Canaan, Conn.; Del Ray, Fla.; and Park City, Utah, said the logistics of each transition take 10 days to three weeks. "I'm a big list-maker, but by now it's automatic — the cable, the phones, the newspapers," she said. "I change the address at the post office five days before I leave — that's the magic number."

Dr. Felshin maintains two credit cards — one for Tannersville ("where all our papers live") and a second for Florida and Fire Island, on which she changes the address twice a year "because you need a matching

address for many online transactions."

But these people are not complaining. A little adjustment now and then seems well worthwhile to those who love getting the best of three worlds. Few grumble about needing space, and when schedules aren't in sync or tempers flare, there are lots of options.

"Having three homes is great for a marriage," Mrs. Leff said. "It gives you something to look forward to — a change of climate, a change of venue."

John Ottavino, 45, a makeup artist who works in television, shrugs off the difficulties. "You have to be willing to open your closet and wear what's in there," he said.

Such insouciance comes less easily for his partner, Gilbert Rodriguez, 41, deputy clerk for the Bronx Family Court. The two shuttle between their high-rise apartment in the Riverdale section of the Bronx, their painstakingly restored Victorian in Park Slope, Brooklyn, and, in the summer, their house in the Fire Island Pines. "Sometimes I just lose it when I go to get dressed for work, and a shirt I want to wear is in another house," Mr. Rodriguez said.

Most house-hoppers suspect that when they get too tired of the hassles — or too old to manage them — they'll cut back. But Mr. Ottavino and Mr. Rodriguez are shopping for a fourth place in Miami, which they will rent out at first. Mr. Ottavino doesn't see much of a downside: "We can always sell and make money," he said. "And if I had to, I'd do it the same way over again. It makes for a fun, interesting life, and a good and early retirement."