

FRACTIONALIZE TO MAXIMIZE

DIVIDING YOUR VACATION HOME INTO PROFIT



Your complete guide to selling your home in fractions!

BY

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A Word From the Author

Dear Owners & Real Estate Professionals,

I want to thank you for your purchase of my guide. If your dream is to maximize the return on your own vacation home, or your client's home, then I have no doubt that you will be pleased with your purchase. As I update this book in the fall of 2010, it is clear that the real estate market all over North America, and the world, is continuing to struggle and will for some time to come. The good news is that fractional ownership make sense in a down market, simply because folks begin to reassess their lifestyle and look for other, less expensive ways to spend their leisure time. Shared ownership perfectly meets this goal by giving them all the Advantages of owning a vacation home, at a fraction of the cost.

“Thank you Mr. Potvin for your guidance throughout this book. We never could have succeeded if not for your skills, we plan to continue with another project. Jerry & Anita Burns, Key West, FL.”

The purpose to this book continues to be the same -- deliver a quality guide that will enhance your chances of completing a successful fractional project. I make my living consulting for large fractional developers, advising them on everything from whether or not to buy a particular piece of property, to how they should train their sales team and everything in between. But I have noticed that for every large fractional project in the works, there are dozens of individuals looking to fractionalize their vacation home.

I receive letters from vacation home owners asking how they might get started turning their home into a fractional property to maximize their return on investment. Without any resources available to them, they often attempt to fractionalize by themselves, and fail miserably, and then call me for help when it may be too late.

So this book was born with the specific goal of helping both owners and real estate professionals understand what is required for a successful fractional project. While it is not rocket science, there are many pitfalls and there actually IS a method to this madness.

“ Sherman, your book has been a godsend. We are up and running, have two shares sold in first month. Thank you for this manual, Bob & Sherry, Las Vegas, Ne. “

I offer many benefits within this manual for the purchaser of this e-book that will allow you to further your fractional education and greatly enhance your ability to complete the sales and marketing of your project.

Thank you again for your trust. Who knows? You may want to do several properties now that you have the business model!

Cheers,
Sherman

More Samples....

Introduction

Fractional Ownership: An Overview

Welcome to your step-by-step guide to fractionalizing a vacation home. This book will give you an overview of everything that is needed to evaluate, prepare, market and sell a fractional home. Who will benefit from this book? Anyone who falls into one of the following categories:

- Second-home owners who are having trouble selling their home and wish to find other avenues for moving their property and still getting back a decent return.
- Second-home owners who love their vacation home (and want to keep a part of it) but would like to put less time and money into a home that they only use a few weeks a year.

“The \$129.00 we paid for your book has paid great dividends. It truly has been the reason for our success, thank you for writing it! Jennifer, Aspen, Co.”

- Real estate professionals who wish to impress and truly assist their clients by inviting them to explore other avenues of selling, either to maximize profit or increase the salability homes that aren't moving on the traditional market.

Small developers/investors who are looking for new ways to make money in real estate.

What Is Fractional Ownership?

Fractional ownership. You may have heard the term but what exactly does it imply? Simply stated, fractional ownership is the opportunity for buyers to own, by deed, and be responsible for, the exact amount of time they would like to spend at their second home. Each owner gets an equal amount of time at the residence and they all share the carrying cost.

All the details of maintaining the property are usually taken care of by a property management company, leaving the owners free to enjoy their vacations to their fullest. A “Use Plan” is established which creates a hassle-free and equitable way to determine who uses the residence when. There are many other benefits as well, which you will discover as you read further.

It Makes Sense for the Seller

The beauty is that almost anyone can turn his or her whole ownership vacation home into a fractional. There are a lot of benefits to selling your home as a fractional. In a “hot” real estate market you can realize 1.3 to 2 times the Fair Market Value for your home.

In a cool market, you can get your house sold, usually for Fair Market Value, even if similar homes aren’t selling at all! And if you love your vacation home, you can keep a piece of it and continue to enjoy it each year without all the hassle.

It Makes Sense for the Buyer, Too

Does it really make economic sense to purchase outright a second or third home for vacation purposes? National statistics show that most second- or third-home owners stay an average of 39 days annually at their vacation home. Yet, the owner is responsible for the worry, tax, security, maintenance and management for that home year-round. Purchasers of fractional ownership see it as an ideal alternative to traditional vacation real estate ownership.

They know that they only stay only a few weeks each year in their vacation home and don't want to pay any more than necessary to enjoy it. However, they do want the value, equity, tax savings and other benefits of second-home ownership. Fractional ownership provides just that.

These benefits include:

- An Appreciable Real Estate Investment
- A Fraction of the Price!
- A Superior Location and Superior Amenities
- No Maintenance Hassles

Many fractional ownership purchasers could easily afford full ownership but choose a fractional property because it fits their needs so well — especially for those that have limited time to spend at their vacation home. They'll find the cost-benefit ratio very appealing.

Getting Started

So what are you waiting for? Go ahead and invest in my book. Relax, sit back and read my fractional manual all the way through. Actually, read the first few chapters twice before you do anything else.

Objectively evaluating your home and location and ruling it out if it isn't a good fractional candidate is critical. Once you have determined that your home qualifies for fractionalization, proceed with the rest of the chapters. If you follow my advice exactly, you will be well on your way to a fun and profitable real estate venture.

Good luck!

Sherman

“We have had your book now for nearly 2 years and are on our second home. We continue to “tweak” our fractional model and could not have been more pleased with your manual, Jim, San Diego, Ca.”