

National Percentage of Second Home Transactions was on the Upswing Again in Q4 2021 After Receding from an All-Time High in Q1 2021

Mono County, California saw the biggest increase in second home median sale prices, up 83.7% YoY according to the Pacaso Second Home Market Report

- **The percentage of second home mortgage rate locks hit an all-time national high in Q1 of 2021, rising to a 5.7% share of all mortgage rate locks across the U.S.**
- **After declines in Q2 and Q3, the percentage of second home transactions saw an upswing in Q4, reaching 5% of total market share.**
- **Sumter County, Florida, situated between Orlando and Tampa, saw the biggest increase in second home transactions, up 65% from last year.**
- **Mono County, California, home to Mammoth Mountain and the gateway to Yosemite National Park, had the greatest appreciation, where the median sale price of second homes was up 83.7% YoY.**

SAN FRANCISCO, Jan. 27, 2022 /PRNewswire/ -- [Pacaso](#), the leading real estate marketplace that helps people buy and co-own a second home, today released the [Pacaso Second Home Market Report](#), the most timely and localized data available for the top 50 second home markets. The report incorporates data on property use and mortgage rate locks. It includes counties whose percentage of seasonal homes and median home values are both at or above the top 20th percentile. Mortgage rate lock data is a leading indicator of second home buying activity.

The report shows that in Q1 of 2021, the percentage of second home mortgage rate locks hit its highest recorded level, with the share of second home transactions reaching 5.7%. In the two subsequent quarters, the percentage of second home rate locks decreased to 4.6% in Q2, and to 4.5% in Q3. But the share of second home transactions rebounded in Q4, reaching 5%.

"Looking back at this past year, we saw the percentage of second home sales decrease in the second and third quarter, after peaking in the first three months of last year," said Pacaso CEO Austin Allison. "In April of last year, however, people stopped to take a beat, to see how things would shake out in what everyone hoped would be a post-pandemic reality. For some, that also meant going back to the office, and perhaps not coincidentally, second home sales started to slow. But these last few months, many employers finally decided to make remote [work](#) more permanent. This seems to have spurred renewed interest in second home ownership."

Most markets with the largest year-over-year increases in second home mortgage rate locks were located in the Southeast portion of the U.S., the report found. Sumter County, Florida, nestled inland between Orlando and Tampa, saw the largest national increase in second home rate lock transactions, with a 65% year-over-year increase.

"For the past year we've been tracking up-and-coming second home hot spots," said Allison. "And actually, Sumter is a perfect example of the kinds of locations we call 'vacation-destination-adjacent' that have been catching our eye. If established second home destinations are like Broadway, these emerging nearby destinations are like Off-Broadway, and their moment in the limelight—or the sunshine—is coming."

St. John's County in Florida also saw an increase in transactions, with second home mortgage rate locks up 9.7% year over year in Q4. One of the county's notable cities is St. Augustine, located just south of Jacksonville and north of Daytona Beach. St. Augustine is known for being the nation's oldest city, and is often referred to as The Ancient City because of its historical landmarks and cobblestone streets that date back to the late 1500s.

43 of the 50 counties tracked in Pacaso's report saw double-digit price growth in second home prices in Q4. Mono County, California, which borders Yosemite National Park, topped the charts in terms of price growth, with a median purchase price of \$790K, up an astonishing 83.7% compared to a year ago. That increase is likely driven by the confluence of several factors, including the area's extraordinary endowment of natural beauty, its relative proximity to expensive West Coast population centers, and limited new construction. The latter is in stark contrast to some other second home hotspots, like those in Florida, which have seen more significant development.

Atlantic County, New Jersey, home to Atlantic City, saw the biggest annual declines in second home median sale prices, down 14%. New Jersey has been particularly susceptible to foreclosures, and according to [Attom data](#), New Jersey counties had the third-highest amount of foreclosures in the country in Q4 (1 in every 1,288 units).

Download the full data set [here](#).

Methodology

Pacaso identified the nation's top second home markets by compiling census data on counties with a percentage of seasonal homes and median home values at or above the top 20th percentile and by excluding those below the bottom 10th percentile of counties with the fewest households. Counties without at least 20 second home transactions in the period were also excluded from the analysis.

Pacaso then analyzed real estate activity in the top second home markets by observing mortgage rate lock data, a leading indicator of second home buying activity. When applying for a mortgage rate lock, a home buyer must specify whether they are securing a mortgage rate for a primary home, secondary home or an investment property. Approximately 80% of mortgage rate locks result in home purchases. Mortgage rate lock data was provided by real estate analytics firm [Optimal Blue](#) and includes a sizable share of the market that is taken to be representative of the whole. Second home rate lock transactions and median purchase price data were sourced at the county level and aggregated quarterly, with Q4 representing the months of October through December 2021.

To view the complete report, please visit the Pacaso [blog](#).

About Pacaso

Pacaso® is a technology-enabled marketplace that modernizes real estate co-ownership to make owning a second home possible and enjoyable for more people. Pacaso curates luxury listings with premium amenities and high-end contemporary interior design, offers $\frac{1}{8}$ to $\frac{1}{2}$ ownership with integrated financing, and, after purchase, professionally manages the home and supports seamless resale. Co-founded by Austin Allison and Spencer Rascoff in 2020, Pacaso operates in more than 30 top second home destinations around the world. Pacaso has been certified as a [Great Place to Work](#) and is recognized as one of Glassdoor's [2022 Best Places to Work](#).

Learn more about Pacaso and view listings at [Pacaso.com](#) and connect with @PacasoHomes on [Instagram](#) and [Twitter](#).

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