

Now Is The Smart Time To Buy & Build Your Dream Log Home

By: Scott Rouleau

If you were a fan of the TV show Seinfeld, you may remember that George Costanza's life turned around when he started to do the exact opposite of his every impulse. He went from unemployed and living with his parents to getting the girl, moving into luxury digs and landing a job with the New York Yankees.

There is a kernel of financial wisdom in this contrary approach. Andrew Carnegie, whose fierce ambition took him from impoverishment to become the second richest man in history and a famous philanthropist, was fond of saying, "When the whole world goes one road, I go the other."

There's a lesson here for those seeking a rustic refuge to serve as their vacation or primary home. Because fear walks tall in the housing market now, many buyers are adopting a wait-and-see attitude. But for those new homebuyers who fear missing out on a good deal, this is a ripe opportunity, says Rob Wrightman of True North Log Homes. "This is literally the best time in our lifetimes to build a dream home," says Wrightman. "Prices have dropped dramatically on many building materials. The cost of plywood, for instance, has dropped 50 percent compared to last year." But that's not all. Consider:

Land costs have dropped, in some areas, dramatically. Many landowners of parcels in outlying areas—perfect for building a log sanctuary on—are now anxious to sell because the housing market isn't likely to bounce back till 2009.

Log home manufacturers have incentives for those ready to take delivery soon. True North Log Homes, of Ontario Canada for example, has launched the "currency equalizer," where the company is offering its two most popular log home packages for just \$99,900.

If you have good credit, you will have no problem finding financing. "There's never been a time in my professional life—17, 18 years—where having strong credit mattered so much," says Bob Walters, chief economist at Quicken Loans. "What your credit score is will determine how much you pay for credit. It has always been that way to some degree, but now it is absolutely the case. That's the big story in the mortgage world."

Lenders can give qualified buyers great loan packages and innovative solutions for financing. For example, American Home Bank of Mountville, PA, through its Beacon Reverse division, is reaching out to senior citizens who are looking for financing to build. Reverse mortgage, which is often associated with seniors looking to convert home equity into cash flow, is now a viable alternative for those 62 and older looking to move from their previous residences into newly built homes, including log homes. "It's very rewarding to see a senior citizen finally be able to build the home of his or her dreams and be able to secure the financing without income or credit worries," says James Deitch, CEO of American Home Bank, which also has a log home division—American Log Mortgage.

Quality custom builders are now available and eager to get to work. "The best trade contractors are available as well, compared to back in the boom times when they were booked up years in advance," says Wrightman.

The permit process is likely to be faster, easier and cheaper, due to lower volume. And with lower building costs come lower annual taxes.

And real estate continues to be a great long-term investment, offering tangible assets versus the uncertainty of the stock and money markets. "It's just a smart time to build," says Wrightman. "It's a smart time to get low interest rates; a smart time to buy land and a smart time to get the best builders in the business."



**For more info on log homes, contact True North Log Homes
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