

HOME

Millennial Successfully Relocates And Buys Second Home at Age 25

NewsUSA

(NU) - Amy bought her first house in Grand Rapids, Michigan at age 23. Fast forward two years and she has since sold that house and relocated to Pittsburgh, Pennsylvania. Two houses in two years at age 25: Here's one Millennial who isn't sacrificing homeownership for mobility.



The relocation shuffle

Although Amy was perfectly happy with her first little house and made lots of friends in Grand Rapids, a job opportunity popped up that was too good to turn down. She recently relocated to Pittsburgh, where she serves as a regional sales manager for a major food distribution company.

Before her move, she experienced the ups and downs of both buying and selling houses in two different states.

Selling a first home in Michigan

"Lucky for me, Grand Rapids has a shortage of homes for sale and a lot of buyers. I didn't have a chance to make any improvements on my house, a farmhouse built in 1904, but I did add a simple deck and lots of flowers and new bushes. It has more curb appeal than when I bought it," Amy says. She says that the hardest part about selling a house was making sure it was clean all the time and ready for prospective buyers to tour.

Amy ultimately sold her house for \$161,000, \$21,000 more than what she paid in 2017. Even in that time, she accumulated some equity and walked away with a total of \$28,000 when the sale closed.

Buying a new house in Pennsylvania

The next step was to find a

Thanks to private mortgage insurance, Amy could purchase this big house in a great neighborhood and still have money in the bank.

house in Pittsburgh. Home prices are higher there, compared to Grand Rapids, Amy notes. She wanted to buy a nicer, more expensive home this time around.

"I found one that was a little bit above my price range at \$200,000. But it's in perfect condition. I don't have to worry about repairs or anything," Amy says. Plus, coffee shops and restaurants are within walking distance.

She explains, "I could have used all of the proceeds from the sale of my house as my down payment. But I didn't want to drain my savings account. I used private mortgage insurance (PMI) again, so I could put less money down. I could have put 10 percent or \$20,000 down, but I opted for a 5-percent down payment of \$10,000 instead. My monthly payment is a little bit higher, but still affordable. Thanks to PMI, I could buy a bigger, better house and still have money in the bank."

Are you ready to buy a house right now? Or should you wait to save more for a down payment? Check out this calculator to find out: mgic.com/buynow. And for more information on how mortgage insurance can help you put less money down, go to readynest.com.