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THE BOCA BEACH REPORT

April 2019

*Privileged
information about
your real estate*

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This publication is not a solicitation but is an information service from this real estate office.

The Building Site For Your New Home

Deciding on a home style and design first before choosing the building site could save you a lot of anguish. Are there trees that need to be removed, will the driveway enhance the design or become a problem? Is this quiet weekday street a short cut to a weekend recreation area?

Are you looking at a site on a golf course or next to a hiking trail? While these look like ideal locations are you prepared to listen to people yelling or cursing about that missed shot early in the morning?

When shopping for a building site to buy for your new home or second home do some homework to select the best site. Not only will you be convinced that it's the best location for your new home, but you'll also know how geographically sound the lot is and what to expect after the home is constructed.

When evaluating home sites, you'll be considering things like location, personal tastes, as well as price. Properties you find should not only look good, but also drain well. This means that

the home shouldn't be placed in a low spot on the lot or at the bottom of a hill where runoff is likely to head. It's interesting to note that ground water damage to a home is NOT covered under most standard home insurance policies. Only flood insurance covers this type of risk—and at a very premium cost!

Be sure to check with both the county assessor's office as well as a local title company to find out where easements lie on the property. Too many easements (such as for power, telephone, or high-voltage poles) can limit the amount of usable land available for building the house. And don't forget to find out how much of a set-back from the street or road is required by the building municipality (county or city). There could also be a similar side-lot and rear-lot requirement so that homes built in the area will be an equal minimum distance away from both sides of the lot as well as from the rear lot line.

It helps to have some idea of the style and floor plan before choosing a lot. The heavily treed lot you're considering is beautiful



(continued)

but those beautiful trees might need to be destroyed as they stand in the footprint of your desired new home. In reality, the lot you've chosen and the home style you require may not mesh. By choosing the lot to fit the home style, you're less likely to encounter this problem.

Here's where knowledgeable architects and/or construction consultants come into the picture. Even if you have decided to be a "lone wolf" in building your own home, don't scrimp on getting expert advice up front about how the floor plan will fit on the lot, whether or not the soil is stable, what permits are needed, as well as an outside expert source of answers to problems that crop up during the construction process. (And believe me,

troubles can arise!) The construction consultant you use is likely to become an invaluable player on your team—one who's available for consultation, one who knows other players in the construction industry to help you out of tough fixes you may find yourself in. Consultants are often paid using an hourly fee structure, or a flat fee payment. Whichever method of payment you choose, it's good to set a fee limit cap (at least in your mind) so you can plug this figure into your overall construction budget.

Follow these guidelines when making site decisions for your dream home and you should find your home investment on solid and profitable ground. ❖

Helpful House Hunting Tips

These eight tips can help make your house-hunting experience positive and rewarding when you are buying a home.

1. Location Does Count.

You must have heard the real estate slogan about "location, location, location," but it is always true. Location is crucial. Think about the commute to your place of employment? What are the local schools, shopping centers, public transportation, seniors' services and other public amenities like? Is the area all zoned for residential? You don't want to end up next to a commercial building. Even if the home itself is perfect in every way, buying can be a mistake if it's in a bad location, and a home like that can be a particularly bad choice if you must resell the home within a few years.

2. Know What You Want.

Have you really thought about exactly what you want in a home? Do you and your spouse or partner agree? You could save many hours of looking if you make a list ahead of time. What are the features you must have, would like to have, what you don't want and would prefer not to have. The goal is to find a home that suits your needs without falling in love with one that doesn't suit your needs. Start the list by thinking about what you like and dislike about your current home.

3. Get All The Information.

Do some homework. Before you start, get all of the information possible about recent home sales prices, market trends, homes on the market now, neighborhood statistics and the home-buying process. Much is available on the Web. Go surfing. We will appreciate your knowledge when we show you homes.

4. Talk To Your Lender.

The home you can afford is a bottom line of your household income, your creditworthiness, interest rates, the kind of loan you select and how much cash you will be putting down. Instead of guessing or estimating how much you can afford to spend, get a banker or mortgage broker to give you a true estimate and a letter stating how much you're qualified to borrow. This amount may be much more or much less than your original estimate.

5. Take Photos & Notes On Homes You See.

When we show you homes, compare them to your original "want" list. Seeing many homes is a confusing experience for most people. Take photos & make notes about the homes you see with us. Grade each one with a "yes", "definite no" or "maybe".

6. Be comfortable. This can take time.

Wear comfortable clothes and shoes. Touring many homes can be tiring, especially if you're relocating from a distant community. You will want to see as many homes as possible in a day.

7. Be Ready To Buy.

If we find the perfect home, you should make the offer now. If the home is perfect for you, others may want it too. To save time, we may take you through a blank purchase contract in advance so you'll know what decisions you'll face when the time comes to make an offer.

8. Relax.

If you are prepared well in advance, the whole process will not be stressful. You may have an idea now, after reading this, how stressed-out home buying can be for the unprepared. ❖

Buying An Overpriced Home

In today's real estate market there are many buyers out there. There is much competition for the better homes. A house could be overpriced. For example, buyers are in a bidding war for the house they really want and are willing to give the seller his inflated asking price of \$695,000 (although the market value is more like \$665,000) plus pay \$500 of his closing costs. This can lead to some unintended problems.

Here are the problems. By overpaying for the house, it costs the buyer more money for the down payment, more in closing costs (since many mortgage costs are based on a percentage of the mortgage), not to mention thousands of dollars more in interest over the years due to the larger mortgage. Over the years, it will cost considerably more than the extra \$30,500. Depending on the interest and down payment, it could be much higher over the next few years!

But that is only the start. Because the house was bought at an inflated price, the equity buildup is off to a slow start. What if they're forced to sell before the house can realize some significant appreciation? They may owe more than its current value.

Keep in mind the professional investor's rule,

"You don't make money in real estate when you sell, you make money when you buy!" Overpaying, over-leveraging, and overspending on closing costs will come back to haunt you later.

If you decide to overpay, make sure you know why. Make sure the overpayment works into your plans based on how long you'll keep the house. If you know you'll have to pay more upfront (due to competing buyers, etc.) but have a long-term plan to recoup your losses, overpaying for your home could work.

For instance, you've overpaid for a property that has several extra acres that can be sold at a substantial gain. What if the acreage sale could fund an entire remodel for your home? Remember, overpaying for a house in a stable, appreciating neighborhood may not be as bad as spending too much on a house in a deteriorating subdivision, on the edge of a warehouse district or in a resort during a recession.

Knowledge is power. Do your homework and find out about everything the house has that you are so in love with. Keep emotions under check. Have a buying game plan and make money when you purchase the house. That is where the extra profit is found. ❖

Real Estate Personal Service

The job of the professional real estate agent is to bring buyers and sellers together. To do this we must keep up-dated on the local and national real estate market, financing, and all other aspects of buying and selling homes and other properties. A major part of this activity is to keep in touch with my past, present and future clients. That is why I send you this newsletter.

When you want to buy or sell real estate, you want to do it now, with no delays. To assist you in this, I maintain a wide network of clients that create a pool of buyers for homes like yours. I know people with homes in all areas and price ranges that can fit your future needs.

Here are some of the ways I can help:

Home owners: I can prepare an analysis of the current range of value for estate planning or insurance review. If you want to make improvements, advise you on the ones that will increase value.

Supply prices of all homes for sale in the area to keep you up on all price trends.

Home sellers: I can give you all information necessary to arrive at the best price to insure the top dollar in the sale, show you how to increase the home's marketability. My firm will only show the home to pre-qualified buyers. When the sale occurs, we help with the negotiation and see you through the closing.

Home buyers: I can help to decide how much house you can afford, show you homes in your price range in different neighborhoods. When the perfect home is located, help with negotiation for the best price and terms, assist with the financing, and make the transaction run smoothly through to the closing.

In the meantime, keep this newsletter as an update on information about your home, maintenance and repairs, changes in tax laws, and other things than can affect your home and its value. Call me with any real estate question. ❖

Oceanfront In BOCA

The following is a summary of the available and pending residences located on the East (BEACH) side of OCEAN Blvd. (A1A) in Boca Raton.
 0.1% to 3.9% is Low Inventory * 4.0% to 6.9% is Balanced Inventory * 7.0% to 9.9% is High Inventory * 10.0% + is Excessive Inventory

North Beach

(North of Palmetto Park Road on North OCEAN Blvd. - Listed from North to South)

Address	Condo Name	TA	AA	%A	ADOM	Price Range	Average	PC
2150	Aegean	8	0	0.0%	0	SOLD OUT	N/A	0
2070	Athena	4	0	0.0%	0	SOLD OUT	N/A	0
2066	Ocean Reef Towers	55	1	1.8%	67	940K	940K	0
2000	Brighton	39	1	2.6%	49	3.5M	3.5M	0
S/T	North Beach	106	2	1.9%	58		2.220M	0

Boca Beach

(South of Palmetto Park Road to the Boca Inlet on South OCEAN Blvd. - Listed from North to South.)

Address	Condo Name	TA	AA	%A	ADOM	Price Range	Average	PC
250	Marbella	155	5	3.2%	180	950K to 2.2M	1.409M	2
310	Boca Mar	38	2	5.3%	86	639K to 749K	694K	0
350	Beresford	53	1	1.9%	102	1.55M	1.55M	1
400	Excelsior, The	27	3	11.1%	94	2.849 to 4.9M	3.583M	0
500&550	Chalfonte, The	378	9	2.4%	92	720K to 1.15M	954K	1
600	Sabal Shores	125	5	4.0%	234	445K to 975K	766K	0
700	Sabal Point	67	4	6.0%	185	695K to 749K	693K	0
750	Sabal Ridge	31	3	9.7%	105	2.5M to 3.5M	3.167M	0
800	Presidential Place	42	2	4.8%	103	4.25M to 6.9M	5,575M	1
1000	One Thousand Ocean	52	9	17.3%	295	3.995M to 13.5M	5,886M	1
S/T	Boca Beach	968	43	4.4%	171		2.547M	6

South Beach

(South of the Boca Inlet on South OCEAN Blvd. - Listed from North to South)

Address	Condo Name	TA	AA	%A	ADOM	Price Range	Average	PC
1180	Cloister del Mar	96	4	4.2%	105	572K to 850K	673K	1
1200	Cloister Beach	128	2	1.6%	50	560K to 575K	568K	0
1400&1500	Addison, The	169	8	4.7%	127	1.175M to 4.25M	2.044M	2
1800	Placide, The	54	0	0.0%	0	SOLD OUT	N/A	0
2000	Whitehall	164	6	3.7%	94	600K to 1.395M	835K	2
2494	Aragon, The	41	6	14.6%	161	2.74M to 8.5M	4.088M	0
2500	Luxuria, The	24	0	0.0%	0	SOLD OUT	N/A	0
2600	Stratford Arms	120	0	0.0%	0	SOLD OUT	N/A	1
2800	Ocean Towers	256	7	2.7%	182	749K to 2.775M	1.774M	4
3000	3000 South	80	3	3.8%	44	799K to 1.649M	1.083M	2
S/T	South Beach	1132	36	3.2%	126		1.855M	12

Totals	April 2019	2206	81	3.7%	149		2,232M	18
Totals	April 2018	2206	93	4.2%	155		2,215M	25
Totals	April 2017	2206	83	3.8%	153		1,915M	14

Key:

TA = Total Number of Apartments in Development * **AA** = Number of Apartments Available For Sale
%A = Percent of Apartments in Development For Sale * **ADOM** = Average Number of Days on Market per Listing
PC = Number of Apartments SOLD and Pending Closing

This information is compiled from FlexMLS on March 18, 2019. This representation is based in whole or in part on data supplied by FlexMLS.
 FlexMLS does not guarantee or is not in any way responsible for its accuracy. Data maintained by FlexMLS may not reflect all real estate activity in the market.