



Richard L. Dusik
President - Broker

RLD@FloridaBeachRealty.com



Grace E. Corbino
REALTOR - Associate

Grace@FloridaBeachRealty.com



John M. Caluwaert
Associate Broker

John@FloridaBeachRealty.com



FLORIDA BEACH REALTY
and Financial Services, Inc.

1515 N Federal Hwy, Suite 300, Boca Raton, FL 33432-1994 (USA)

Website: www.FloridaBeachRealty.com and www.OceanfrontInBoca.com

SERVING Boca Raton's OCEANFRONT Condominiums

OCTOBER 2024

Contents

- Trade-In Agreement For A New Home
- The Untapped Wealth In Your Home

- The Marketing Of Your Home
- Enhance The Look ~ Increase The Value
- Is It Time To Improve Or Move?

Trade-In Agreement For A New Home

When a homeowner wants to move to a new home but does not have the cash needed to make the purchase, a trade-in agreement can help to use the equity in the present home to provide a down payment for the new home. The other party in the trade (usually a builder) takes the homeowner's property as an aid to selling the home.

There are builders of homes in tracts for sale on speculation in some parts of the country. They must be a little more creative in their thinking about selling the "product" for sale than a homeowner who has just one home for sale at one time.

When we think about a trade-in, the automobile comes to mind. Everyone is familiar with the transaction. Keep that in mind, for the trade of a home is not too different.

There are three kinds of trade-in agreements.

The Outright Trade-In. With this agreement, the builder buys the homeowner's home outright.

The homeowner now has the cash for the down payment on the new home. From the homeowner's point of view, this is the closest to an exchange, since the sale of the old home and the purchase of the new home are completed at the same time.

Builders may make use of the outright trade when they are prepared to carry an inventory of houses and are familiar with the financial arrangements that have to be made.

The Contingent Trade-In. This works like the combination of an option agreement on the old home and a conditional sale of the new one. Both of the contracts of sale are executed at the same time, but the contract for the sale of the new house is conditioned upon resale of the old house within a designated period, such as 90 days. If no resale can be made by the builder before the end of that period, both of the contracts are canceled. This transaction requires no capital investment by the builder, and requires that both parties be willing to tie up the properties for

the option period. The builder might limit his obligation to keep the property available by a provision that the conditional contract can be terminated at any time with a 10 day notice.

The contingent trade-in can be a good tool for a builder who has a number of unsold new houses in his inventory.

The Guaranteed Trade-In. This may be the most used trade-in arrangement, since it combines the best features of the other two. The builder has a limited time to sell the present home at an agreed-upon price. If he sells within that time, the homeowner receives the entire price the builder received. If the house is not sold, the builder buys the house at the agreed-upon price which is somewhat lower than what a third party might be willing to pay.

With this plan, the homeowner is assured of a minimum price for the old home by the time that he must take title to the new one. The builder only assumes a conditional obligation, which, in most cases, he will not be called upon to fulfill. ❖

The Untapped Wealth In Your Home

There are retired people all over the country who are receiving a retirement income that is less than they would like. Many of these couples own a home that is free and clear of loans or nearly so. They often struggle along on a very small income when they literally have untapped wealth all around them in their home every day. There are ways of using this home equity for additional income monthly for life.

Parents Sell To Children

Here is one solution that a tax planner proposed for an older couple and their children.

The retired parents needed cash so the tax planner suggested that the children buy the parents' home from them on an installment basis and then lease it back to them at fair market rent. The parent's gain will probably be sheltered from tax by the \$500,000 exclusion for home-sale profits available to couples in the 1997 tax law.

The transaction can be structured so that the installment payment is higher than the

rental payments the parents make, giving them extra cash income each month. The children can afford to funnel the extra money to the parents because of the possible tax benefits received from the property.

There is an extra bonus because the parents' estate tax liability is cut because the house is removed from the estate.

Another suggested strategy had the parents giving the house in trust while retaining the right to live in it. This could be possibly done at a low gift-tax cost, and it removes the house and any future appreciation on it from the parents' taxable estate.

Reverse Mortgages

The Federal National Mortgage Association, known as Fannie Mae, offers "reverse mortgages", which enable senior citizen homeowners to convert the equity in their homes into income.

The reverse mortgage is available to over 80% of older Americans who own their home.

With staying in one's own home a major goal for older home-

owners, the reverse mortgage can provide crucial funds for a senior who may wish to remain financially independent.

The reverse mortgage is an adjustable-rate loan that allows seniors to borrow against the value of their home. The amount available depends on the number of borrowers, their ages and the value of their homes.

The funds are available for most personal financial needs, such as health care, home repair or a monthly income supplement. The difference between this and a traditional home equity loan is repayment would not be due until the borrower died, moved, sold the property or transferred title to another individual.

A borrower also could not be forced to sell or vacate the property to pay off the loan, even if the total of mortgage payments plus interest exceeded the value of the home.

If these types of ideas could fit your situation, be sure to discuss it with your own banker, tax planner and attorney before taking any action. ❖

The Marketing Of Your Home

When you are ready to list your home for sale, we will assist you in the same way that we assist and counsel the buyer. Since we represent buyers and sellers in our transactions, when you are ready to sell, remember there's a prospect for your home. We work closely with our other office associates to make available a list of pre-screened prospects. These are not lookers, but serious persons interested in

buying a home.

It is our job to know the community in which you live. We're familiar with zoning codes, schools, churches, shopping, transportation and other pertinent information important to prospective buyers. This expertise goes a long way towards making the sale.

An Unemotional View

That is what is needed between buyer and seller. We have no

ties to the property and can objectively answer all questions from the buyer regarding value and condition of your property.

We are experts at marketing and selling property. It is our only business. We know how to best market a particular piece of property in order to bring top dollar to you, the seller. We can give suggestions on how to make your home more attractive, more salable to those prospective buyers.

(continued)

Low-Budget Projects

When you are selling a home, you do not just put it on the market without some kind of a pre-marketing fix-up. A few people put a neglected home for sale “as is” but this is rare. Whether it is a complete remodel and upgrade or just a thorough cleaning, there should be some preparation.

Here a few projects that you may not have thought about.

- Home offices are very popular. Why not show one

of the bedrooms furnished as a home office.

- Use closet organizers. They give up to twice as much usable space. Most important, they make the space look larger.
- Consider hiring a stager to enhance the look of your home.
- Visit the “open houses” that our office holds for our “for sale” clients. We will be glad to go over various rooms with you and show you what is right and wrong about a home being shown.

Closing The Sale

We assist the buyer and seller in the necessary paperwork, and with other professionals, will help guide you through the proper execution of title evidence and other necessary documents. We’re specialists in all phases of selling, then closing the transaction.

Whether you are buying or selling a home, as a part of the team we are there to help you every step of the way. ❖

Enhance The Look ~ Increase The Value

The professionals that you would call to help enhance and increase the value of your home before you put it on the market have found ways to enhance that value without spending a lot of money on the fix-up.

The following are a few “tricks” that you can do to your house even if you are not in the house remodeling business, but just want to sell your home and get the best price for it.

These are some essential things that should be done without spending a lot of money but will turn an ordinary house into a special home and more attractive to a future buyer.

Start With The Front Door

A new front door or a freshly painted door, with new hardware, and a very clean front porch with a pot of flowers as a welcome.

Minor kitchen and bathroom remodels, creating an attic bedroom and replacing the garage door are among the low-budget yet high-yielding home improvement projects

that will help in the sale.

Most houses have been occupied by the same family for years or decades so when they prepare to sell, it’s very dated. The key is to modernize elements of what is outmoded. It could be as simple as a fresh, neutral-toned paint job, changing the knobs on the kitchen cabinets, replacing a vanity top, and changing the window coverings for a clean fresh look.

Does the house have original ceiling light fixtures? Replace them with ceiling fans that have a built-in light. Replace the fixture in the dining room for a new bright look.

Clean the window screens and repair or replace any that are damaged.

Clean Then Clean Again

Buyers are attracted to homes that are stain-free, look new and are move-in ready. If there is wallpaper of any kind, anywhere, get rid of it. Removing wallpaper, painting walls, changing light fixtures and doorknobs, adding hardware to cabinets, and cutting the clutter helps update a house and makes it more

appealing to potential buyers.

In kitchens, replace the laminate counter tops with quartz or granite. You may avoid the expense of changing kitchen cabinets by replacing the hardware, changing the cabinet doors or painting them. New appliances are a must. A modern kitchen makes the whole house look good, while an old kitchen ruins the appearance of everything.

If the house has an old worn deck, don’t replace it, power-wash it to help restore it. Replacing a deck can be very expensive and probably won’t add anything to the value of the house.

If the house has an attic that can be converted to a bedroom, it can be the best thing that you can do. It is one of the most valuable additions to any home – it adds living space! You are utilizing space that is already there.

I know we have said these things before in our newsletter, but these are the things that will get you the best price, and the quickest sale for your home. ❖

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	0.00M	0
2070	Athena	4	0	0.0%	0	SOLD OUT	0.00M	1
2066	Ocean Reef Towers	55	4	7.3%	148	1.15M to 1635M	1.298M	0
2000	Brighton	39	1	2.6%	48	2.85M	2.850M	0
S/T	North Beach	106	5	4.7%	108		1.608M	1

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	2	1.3%	83	795K to 1.995M	1.395M	0
310	Boca Mar	38	0	0.0%	0	SOLD OUT	0.00M	0
350	Beresford	53	1	1.9%	238	2.595M	2.595M	5
400	Excelsior, The	27	1	3.7%	208	8.5M	8.500M	1
500&550	Chalfonte, The	378	11	2.9%	57	1.45M to 3.6M	1.896M	2
600	Sabal Shores	125	2	1.6%	158	750K to 1.295M	1.023M	0
700	Sabal Point	67	0	0.0%	0	SOLD OUT	0.00M	0
750	750 Ocean	31	0	0.0%	0	SOLD OUT	0.00M	0
800	Presidential Place	42	0	0.0%	0	SOLD OUT	0.00M	0
1000	One Thousand Ocean	52	2	3.8%	127	5.575M 7.25M	6.413M	1
S/T	Boca Beach	968	19	2.0%	165		2.611M	9

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	3	3.1%	65	574K to 2.3M	1.375M	0
1200	Cloister Beach	128	8	6.3%	155	609K to 3.495M	1.104M	1
400&1500	Addison, The	169	3	182%	83	1.995M to 3.325M	2.838M	0
1800	Placide, The	54	0	0.0%	0	SOLD OUT	0.00M	0
2000	Whitehall	164	0	0.0%	0	SOLD OUT	0.00M	1
2494	Aragon, The	41	1	2.4%	173	3.795M	3.795M	0
2500	Luxuria, The	24	1	4.2%	306	6.25M	6.250M	0
2600	Oceans Edge	120	0	0.0%	0	SOLD OUT	0.00M	0
2800	Ocean Towers	256	4	1.6%	71	1.25M to 2.75M	2.061M	0
3000	3000 South	80	2	2.5%	76	1.275M to 1.74M	1.508M	0
S/T	South Beach	1132	22	1.9%	118		1.944M	2

Totals	Oct. 2024	2206	46	2.1%	108		2.183M	12
Totals	Oct. 2023	2206	Data Unavailable					
Totals	Oct. 2022	2206	24	1.1%	79		3.000M	6

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 September 19, 2024. 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.