

# DISTINCTIVE PROPERTIES



REAL ESTATE AT OCEAN REEF

November/December 2014

Brought to you by Russell Post Sotheby's International Realty

Volume 8 • Issue 1

## POST NOTES



Dear Friends,

After a busy summer and fall, we're excited to move into our season and welcome you back for the holidays.

Mark your calendars for Saturday, November 29th from 2-5 p.m. for our first Open House Tour of the season. We will have several properties open for previewing. Please stop by either of our Russell Post Sotheby's International Realty offices in the Business Center or Plaza for a schedule.

### REAL ESTATE MARKET UPDATE

On page 2, you will find several graphs providing an overview of the 2013-2014 real estate market. We did not see the high end moving in the Ocean Reef real estate market this past year. This was largely responsible for our real estate market being 20% down in dollar volume from this year to last.

It is very rare to have two years in a row where the high end real estate does not move when the stock market is at current levels. We anticipate a more active market this coming season for our high end listings.

In late October, the sale of the Marina Inn complex closed. I represented both the buyer and seller in the transfer of this property consisting of 3 acres and 750 ft. on the water. This was a land deal since the new owner, Eric Soulavv, will tear down the existing buildings and build new luxury condos on the site. You will enjoy seeing his vision for the site and we are excited to see this beautiful addition to our current condominium offerings here at Ocean Reef.

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Russ Post, Pat Riley (former Miami Heat head coach and keynote speaker), and Philip White (president and chief executive officer of Sotheby's International Realty)

### GLOBAL NETWORKING

In September, many of our agents attended the Sotheby's International Realty Global Networking event with 1,500 associates from around the world. This is an important event for our office as it acts as a catalyst for our agents to establish referral relationships with other Sotheby's International Realty affiliates in targeted communities.

In addition, our marketing director, Leah Maki, went to London in early October to meet with the new brokers of London Sotheby's International Realty to establish referral relationships. Over the past year, London has been one of the top 10 cities where potential buyers are viewing our Ocean Reef listings. She will also be meeting with the top brokerage in Indiana in early November to establish referral relationships.

Ocean Reef has always attracted like-minded members from many of these targeted communities. It is our goal to continue to create a strong referral network to bring in new members and buyers for our listings, as well as help our current members facilitate the sale of their homes in other parts of the world. Over the past few months we have helped facilitate the sale of almost \$20 million in real estate referrals (see more on page 19) in New York, Miami and Boston.

We look forward to working with you this coming season and hope you enjoy the November/December issue of Distinctive Properties.

Sincerely,

*Russ Post*

### PROPERTIES FOR SALE

#### CONDOMINIUMS

1 Bedroom	13
2 Bedrooms	55
3 Bedrooms	24
4 Bedrooms	9
<b>Total Condominiums</b>	<b>101</b>

#### HOMES

Bay Front	3
Canal Front	26
Golf Course	32
Interior	9
Lake Front	10
Ocean Front	6
Wooded	1
<b>Total Homes</b>	<b>87</b>

#### VACANT LOTS

Bay Front	1
Canal Front	5
Golf Course	5
Interior	3
Lake Front	1
Ocean Front	0
Wooded	0
<b>Total Lots</b>	<b>15</b>

#### DOCK SLIPS

<b>Total Docks</b>	<b>22</b>
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#### ANGLER'S CLUB (not in above)

<b>Total Angler's</b>	<b>5</b>
<b>Total OR Residential</b>	<b>230</b>
OTHER (ie: off Reef, Island, etc.)	
<b>Total Other</b>	<b>3</b>

#### COMMERCIAL PROPERTIES

<b>Total Commercial</b>	<b>3</b>
<b>CLS Active Listings</b>	<b>236</b>
<b>Includes Pending Sales</b>	<b>25</b>

As of 10/21/2014

Russell Post | Sotheby's INTERNATIONAL REALTY

35 Ocean Reef Drive #120  
Key Largo FL 33037

PRSR STD  
U.S. POSTAGE  
PAID  
PERMIT NO. 27  
PALATINE, IL  
60095

CURRENT RESIDENT

## OPEN HOUSE TOUR

Saturday, November 29  
2 - 5pm

**NEW DEVELOPMENTS IN THE NATIONAL FLOOD INSURANCE PROGRAM**

In 2012, The National Flood Insurance Program had accrued \$18 billion in debt, as a result of approximately 1.7 million claims made in the aftermath of Hurricane Katrina. In an effort to subvert this financial crisis from ever repeating itself, on July 6, 2012, Congress passed the Biggert-Waters Flood Insurance Reform Act of 2012 (BW-12). Once FEMA issued the law, there was a massive outcry from homeowners in coastal regions as they faced drastic premium increases and the threat of a devalued real estate market.

While several pieces of legislation objecting to this law had made their way to the congressional floor, it wasn't until March 31st of this year that the Homeowners Flood Insurance Affordability Act of 2014 (H.R.3370) was signed in to law by President Obama. Although H.R.3370 did not overturn BW-12, there are several significant amendments that should provide relief to homeowners negatively affected by BW-12.

*Betsy Gibbons, Private Client Account Manager of Celedinas Insurance Group, provides the following information on the two provisions that will impact homeowners in Monroe County.*

**SUBSIDIZED RATES:**

Under BW-12, subsidized rates (rated without an elevation certificate) on policies for Pre-Flood Insurance Rate Map (pre-FIRM) structures built prior to 1/1/1975 in Monroe County were to be phased out. The law would also require any policy purchased on or after 7/6/2012 to obtain an elevation certificate. Beginning with subsidized non-primary residences, policyholders would begin to see premiums increase 25% per year until they met their full rate risk.

On May 5, 2014, H.R. 3370 restored all subsidized rates for both residential and commercial Pre-FIRM structures; however, it is still recommended that property owners obtain an elevation certificate, as in some cases it might result in a lower premium than the subsidized rate. Although subsidized rated policies will see some increases, all Pre-FIRM policies for non-primary residences will automatically increase by 25% a year until they reach their full risk rating.

In addition, all Pre-FIRM rated policies that renew after June 1, 2014 will be considered non-primary residences. In order to avoid this increase, it is imperative that policyholders contact their insurance advisor to verify whether the residence is their primary or secondary home. Policyholders will have to confirm they reside in the location for at least 51% of the year and provide documentation that will constitute as proof of residency.

**GRANDFATHERING RULE:**

“Grandfathering” is a lower cost flood insurance rating for structures built in compliance with a prior flood rate map after a new one has been released. For instance, if a home was built in a more affordable AE Zone, and the flood map updates the location to a more expensive VE Zone, it can remain in the AE Zone as long as the policy has been maintained for over two years. Under BW-12 the Grandfathering Rule was also set to be phased out beginning in 2014; however, with H.R. 3370, grandfathering will continue.

You may have questions or need more information on how H.R. 3370 and BW-12 will affect you and your insurance coverage. Betsy Gibbons is located in our Ocean Reef office and is available at 305.367.4610 or via email bgibbons@celedinas.com. She welcomes the opportunity to provide you with a complimentary and confidential review of your insurance portfolio.



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**BETSY GIBBONS: PRIVATE CLIENT ADVISOR  
305-367-4610**

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