

Is Waterfront Living Right For You?

It seems forever the thought of waterfront living has been synonymous with the thought of life in the Sunshine State. For many the image of a boat in the backyard and the water lapping on the seawall with the backdrop of a glowing sunset has been central to the Florida dream.

However, buyers considering a residence on the water need to consider issues that can impact waterfront homes that span from affordability to global warming.

The decision to own a waterfront home often starts and ends with the affordability question. As a rule, waterfront homes are pricier than comparable housing located off the water. They do vary considerably depending on some different factors. First, there is the type of water exposure adjacent to a home that can influence price. For example, homes located on a canal leading to a larger body of water will generally be priced lower than homes with open views of a larger body of water. There are also variances between homes on navigable salt waterways versus freshwater lakes.

Another factor related to the type of water adjacent to a home is the relative elevation of a home. The elevation is the height the finished floor level of a home measures above the mean sea level. How this elevation level compares to the FEMA 100 Year Floodplain Map for any specific property determines the risk of a home flooding in any given year. Homes located in a 100 Year Flood zone and below the established Base Flood Elevation are defined as having a 26% (1 in 4) chance of flooding over the life of a standard 30 year mortgage, while in a riskier 25 Year Flood Zone the chances of flooding jump to 71% chance during the term of a 30 year mortgage.

Older waterfront homes are often constructed below the established 100 Year Floodplain, while newly built homes must be constructed above the 100 Year level. An Elevation Certificate from a licensed surveyor will formally state the elevation of a specific home.

Linked to the risk of homes in the floodplain is the added bill for flood insurance coverage as a supplement to a standard Homeowner's Policy. Lenders will require flood insurance on homes within a high risk area. The added cost of a flood policy will be directly influenced by the flood zone category combined with the actual elevation of a home. The premium for a flood insurance policy on a home built above the 100 Year Floodplain is less when compared to homes below an area's stipulated Base Flood Elevation will result in a more costly premium.

In addition, there is also the greater potential of damaging hurricane activity along the coast. This inherently increases Homeowner's Insurance premiums and the likelihood of disruptive evacuation warnings.

The potential of increased maintenance costs is another point to factor into the decision making process. Obviously, all dwellings need to contend with ongoing maintenance. But in the case of homes located near salty water the reality of salt's corrosive and damaging effect on metal and other surfaces demands more attentive maintenance and cleaning.

The dream of living on the water still stands as one of Florida's most sought after housing options. However, there are both the positive lures and cons associated with this lifestyle. If are comfortable with the requirements of life on the water, then grab a seat on the balcony or poolside porch and begin soaking in the atmosphere. If you are not in tune with the requirements, you should probably focus on opportunities elsewhere.