

Coral Falls Resort Newsletter

Volume 12 – April 2016

State of the Association

This past year the Coral Falls Board of Directors, in conjunction with Sandcastle Property Manager, Paul Grant, and the rest of the outstanding Sandcastle Property Management Team, successfully completed numerous tasks and projects to improve and enhance the Coral Falls Condominium complex. Real estate prices are continuing to climb throughout Naples, including our prestigious Lely Resort and Country Club community, keeping us well positioned to enjoy a healthy financial future. Numerous major residential and commercial construction projects are currently underway or planned in the East Naples area. The road construction at Collier Blvd. and Hwy 41 was completed ahead of schedule and is a big improvement in moving heavy traffic smoothly and safely. New businesses are opening soon at the intersection of Collier and Grand Lely Boulevard, called Stock Plaza. It is anchored by a Stock real estate office and will have a pizza place, hamburger eatery, nail salon and others. More businesses are under construction at Collier and Triangle Boulevard. Last year I predicted that we may be within walking distance to a few new eateries soon. A year later it is happening.

We are delighted to report that Coral Falls continues to maintain strong financials for both operational and reserve funds. We have always placed a great deal of emphasis on keeping our infrastructure buildings and grounds in excellent condition and improved and upgraded them when needed. We are completing our second year with our landscape company, Greenscapes. We appreciate their consistent, prompt response time, and eye for detail. In April we made a change to a new fire sprinkler and alarm monitoring company, Wayne Automatic. Last summer they were kept busy due to the very active lightning strikes throughout the community. In May we had key locks installed on both pool gates and new locks on the restrooms that are compatible with the pool gate key. Key Security Services also installed four motion sensitive cameras to monitor activity at the gates, pool/spa area, pool house and perimeter fence area. After a record month of rainfall in January, a contractor stabilized and realigned the gutter system to allow better drainage during torrential storms. Stahlman's, our pool company, continues to monitor our facility daily and makes the adjustments needed to assure that our pool and spa are clean and safe for our owners and renters. We continue to be very pleased with their service.

Fred Wyant, our grounds and structures chairperson, has a list of the many changes and improvements we have made during the past twelve months.

As always the Board of Directors sincerely appreciates the continued support from the members of our community. As in the past, we will listen to all the members and do our best to protect your investment.

The Board of Directors

Annual Meeting Summary

An audio copy of this year's meeting has been posted on the Coral Falls Resort website. This summary is provided from that meeting of some key issues.

Kathy Horton steps down after 11 years as Director: Kathy was a "founding" member of the Coral Falls Association and she was honored by a testimonial of the "early days". Kathy was also given a plaque and flowers in recognition of her service to the Association. Thank you, Kathy.

New Association Director named: The Director vote resulted in the re-election of Linda Monson and Carl Johnson and the election of Denise Reuss. Thank you to Kevin Johnson for his offer to serve.

Big Dogs: We continue to have renters who show up with large dogs in violation of our by-laws. Some condo owners (or their rental agents) advise Sandcastle of the new renter information and Sandcastle takes responsibility to verify that this new renter is aware of all of our by-laws. However, most owners do not contact Sandcastle and they are responsible for by-law violations by their renters. If a renter shows up with an over-size dog, the Association is considering “fining” the condo owner for not disclosing our by-laws.

Water shut-off valve: Water shut-off valve covers have been painted bright blue and are located in the front of each building. The valve can only be accessed by a licensed plumber with ADVANCED notification to Sandcastle so Sandcastle can advise all building owners that their water will be turned off.

Dumpster etiquette: There are many signs which give instructions for proper disposal of trash but there continues to be a few owners and renters who feel that those instructions do not apply to them. These people place large items in front of the dumpster which causes the garbage hauler to refuse to empty the dumpster. The south recycle area is large enough for six recycle bins but the north recycle area is smaller and has room for only four bins. When boxes are not broken down before placing them in the recycle bins, the bins quickly overflow and no one wants to clean up the mess of others. Many times there is plenty of room in the south recycle bins but people may not be willing to walk that extra distance. Please dispose of your garbage and recycling as instructed on the signs.

Owners responsible for cleaning windows: The Association pays a maintenance company to clean the walkway area of debris but this company does not clean window glass. Glass cleaning (both inside and outside) is owner responsibility.

Lely Area Changes

The new intersection at Collier Blvd and Tamiami (US-41) is now done. It is six straight through lanes north and south on Collier Blvd. and also six straight lanes east and west on US-41. Also, this intersection includes multiple right and left turn lanes and pedestrian crosswalk buttons for whoever is crazy enough to want to cross this monster intersection. The biggest thing it did was remove the “dog-leg” that used to exist on Collier as you drove past US-41.

The Lely Resort Boulevard and US-41 intersection has been reworked by the “freedom horses” so you can no longer make a left turn onto US-41. This should make that corner safer. Also locating across from the freedom horses is a new business called “Party to Go”.

Several new restaurants have opened in the area. “21 Spices By Chef Asif” has opened at the Sugden Park Plaza. Panara Bread has opened in the Eagle Lakes Mall and Culver’s has opened on US-41 near Rattlesnake Hammock. Two new Racetrack gas stations have been built, one across from Eagle Lake Park on US-41 and the second one on Collier Boulevard north of Manatee Rd. (and south of the Walmart). A third Racetrack gas station is scheduled to be built at the corner of Rattlesnake Hammock and Collier. These new gas stations make our area the place to go for cheap fuel.

Construction has ended at Ole’ and Stock Development continues to sell the 3 remaining units. Stock Development has started final construction on all remaining developments in Lely. It is possible that in the next year or so Lely Resort will be all “built-out”.

Construction has started at Hogan Plaza that is located on the northwest corner of Grand Lely Drive and Collier Boulevard, Five leases are in place for Casablanca Nail Bar, Five Guys Burger & Fries, AT & T, Stock Realty, LLC (now occupied) and a dry cleaning company.

Construction has started at Tamiami Crossings that is located on the southeast corner of US-41 and Collier Boulevard (behind the Super K gas station). Businesses include Steinmart (now open), Ross, ULTA, PetSmart, Michaels & Marshalls (now open).

Site work has begun at Freedom Square (northwest corner of Collier Boulevard and US-41 (also called Restaurant Row). Mostly rumors of who will locate there. Hobby Lobby may also be constructed on Triangle Blvd this year.

Eagle Lakes Park has built a new building that has a physical fitness area and exercise room. It can be used for only \$25/mo. Another Naples park will host, on April 26, the first ever U.S. Open Pickleball Championships.

Given the huge number of homes that are under construction in this area, there are many builders that are betting that the down-turn in the economy is over.

Social Committee Report

Once again the Social Committee at Coral Falls had a very successful season. The Florida sunshine came to our rescue at 4:30 PM for our “Happy Hour”/”Get Together” at the chickee huts. Everyone who attended had a good time and the hours just flew by. It is amazing what wonderful cooks we have at Coral Falls, and the yummy goodies that appeared to be shared with friends. We only had the cocktail time this year, and it worked out very well. Everyone seemed in favor of this social time together verses the morning coffees.

I want to thank Paul Monson, John Jefferson and Fred Wyant for setting up the area as well as picking up and putting away the tables, chairs etc.

Also, a thank you to the Social Committee who took turns hosting the activities. Of course this was only a success because of the extended family of Coral Falls who participated in making these gatherings a memorable time.

Thank you everyone.

Social Committee – Ginny Jefferson, Bonnie Wyant, Kathy Horton, Karin Estaphan, Marilyn Burch, Denise Reuse, Linda Monson, and Judy Johnson, Chr.

Structures and Grounds Report

The following items were presented at this year’s 2016 annual meeting:

- Removed and replaced all caulking joints at the pool area.
- Repainted pool deck and pool house with a non-slip paint.
- Repainted all fire hydrant, fire valves, post indicator valves and bollards.
- Repainted fronts of all bldgs at the elevator equipment room where fire alarm control panels have been changed.
- Painted domestic water shut-off valve cover plates bright blue. These are located in front of each building.
- Repainted the exterior of several condo doors.
- Placed signage on all buildings indicating the type of roof material as directed by the Naples Fire Dept.
- Removed ash tray/trash receptacles away from all stairways as directed by the Naples Fire Dept.
- Repair roof leaks on buildings 9165 and 9175.
- Replaced A/C unit in the elevator equipment room at Bldg 9185.
- All palm trees were trimmed and coconuts removed.
- Removed trees near dumpster at Bldg. 9165 due to disease.
- Replaced ornamental shrubs as needed in various locations.
- Numerous straps on the lounges at the pool were replaced.
- Installed new fire alarm panels at Bldgs 9165 and 9175.

Committee report filed by Fred Wyant.

New Pool Area Security

Two new security items have been added to the pool area since last year's newsletter. The first item is that both gates to the swimming pool area now require a key to enter and exit. These gates also have a new spring hinge on them to insure that both gates close after use. The pool key is a high security key which can't be duplicated at an ordinary hardware store. This feature was added because we had reports that the pool was being used by outsiders. This feature has eliminated the usage of our pool by outsiders.

The second security item is the addition of four cameras to the pool building. Two of the cameras are recording the activity at the gates. The third camera is pointed at the pool equipment and the fourth camera is pointed at the inside of the pool enclosure. The Association felt that the pool and hot tub is our most expensive amenity and cameras may reduce the likelihood of vandalism.

Roof Water Leak

When my brother and his wife came down to use my Condo during Thanksgiving, they found water cascading down the east wall of my walk-in closet. The Association and Sandcastle responded quickly and all drywall was repaired or replaced at no expense to me. As a preventative measure, when the roofer was on my building (building 9175), they also inspected the roof of all other top floor units that had a roof mounted dryer vent opening and found no problem in the other areas.

The painting of my repaired drywall was my responsibility. I had some touch-up paint from the original construction and Sherwin Williams was able to duplicate the color which matched the walls quite well.

At a later date, another water leak was discovered in the roof of building 9165 and that was quickly resolved by the Association and Sandcastle. I am very happy with the Association's prompt handling of my problem.

Tile Work

Many Coral Falls owners are in the process of replacing their original carpet or tile with new tile. If you are considering the same upgrade, the Association reminds you of two things.

First of all, there is a Collier County requirement that any job include an underlayment to minimize transmitted noise to your neighbors. First floor owners may be tempted to skip this underlayment since no one lives below you but, as near as I can tell, this situation has never been tested in court and if a neighbor complains about the noise from your unit, you may find that you have to tear out this new tile to install underlayment. Therefore, the Association highly recommends that you install an underlayment, even on the main floor.

The second issue is "what do I do with the "dirty water" that I have from the tile cleanup. This dirty water is loaded with both cement and sand which will settle to the bottom of the pail. You may be tempted to dump this dirty water down the toilet but because these "solids" are so heavy, there is a high likelihood that it will plug up your plumbing or the building plumbing which you might also be responsible for. If you lug this dirty water down to the grassy area somewhere around the buildings, it will likely ruin the grass. There is a safe area to dispose of dirty water and that is in the storm water swale areas on the stones and rocks. You can rinse of the pail by using the hose by the pool house restrooms. Therefore, the Association highly recommends that you or your contractor dispose of this dirty water in the proper location.

David Southall @ Library

One of the major assets we have in Naples is the Collier County Library System. Each year the “Friends of the Library” spend thousands of dollars financing all kinds of speakers and entertainers who are absolutely free to the general public. You can learn about all of these speakers by picking up a library schedule or going to the following website:

<http://host.evanced.info/collier/evanced/eventcalendar.asp?et=adult&df=list&libnum=999>

One of my favorite speakers is David Southall who used to be the Naples Museum Director. Since retirement, David has been a popular regular speaker at the various library branches. I have listed programs this year at the various locations from January through April:

Jan 12 (Marco) – Florida Cults & Communes
Jan 13 (Naples) – Key West
Jan 21 (South) – Steven Mallory & David Yulee
Feb 18 (South) – The Black Seminoles: Caught Between Two Cultures (Black History Month)
Mar 10 (South) – The Founding of Naples 1885
Mar 14 (HQ) – Brazil, Land of Contrasts
Apr 13 (Naples) – Ybor City and the Cuban Revolution
Apr 21 (South) – Cuba, Our Little Known Neighbor to the South
Apr 21 (Golden Gate) – Florida’s Mission Trail

In past years he has also done programs on – Florida’s roll in the Civil War, Prison Camps during the Civil War, France’s exploration of Florida, Spain’s control of Florida and Cuba, and many others. I recommend any of his lectures to owners and renters who have an interest in Florida and history in general.

Thomas Eastwood @ Library

Another of my favorite speakers at the library is Thomas Eastwood who worked for our Government in many capacities including being with the IRS, the FBI and interrogated many of the spies that we have had. I have listed programs this year at the various locations from January through April:

Jan 7 (South) – Nuremberg – Military Tribunals (One Book Southwest Florida)
Jan 26 (HQ) – Jewish Avengers – Nazi Executioners (Florida Jewish History Month)
Feb 4 (South) – Illegals Program; Russian Sleeper Spies
Feb 17 (Naples) – Delayed Recognition – Minority Military Heros (Black History Month)
Feb 23 (Marco) – Operation Firefly; 555th Parachute Battalion
Mar 11 (South) – Operation Underworld; WWII Mob Alliances
Apr 7 (South) – Caribbean Defenses; Impact of “Lend-Lease”
Apr 26 (Naples) – Jonathan Pollard – Avarice or Ideology

I recommend any of his lectures to owners and renters who have an interest in the inner workings of our Government.

New Website Rental Page

The following write-up has been added to the Coral Fall Resort website:

Coral Falls Resort has many units which are available to rent. Of the 64 units that are here, approximately ½ can be rented for some or all of the year. A small number of un-furnished units are rented on an annual basis but most of the rental units are furnished and rented on a weekly, monthly, seasonal or annual basis.

Coral Falls Resort does not have an on-site rental office where you might learn about which units are available for rent. We have four bulletin boards on-site which give important information to our residents but none of them has “unit rental information”. Our property is managed by Sandcastle CM but even they do not have a listing of available rental units. Each owner manages their own unit or hires a rental agent to manage their rentals. The best way to learn about available units is to search the internet using the following keywords: “Coral Falls”, “Naples” and “Rental”. It is important to include “Naples” because there is another “Coral Falls” which has apartments in another city. I have listed below a number of websites you might check out:

- www.vrbo.com
- rentals.clausenproperties.com
- www.iescapeaway.com
- www.RoyalShellRentals.com
- www.flipkey.com
- www.stockrentals.com
- www.lilyvacationrentals.com
- www.homeaway.com
- vacationrentals.trovit.com/vacation-rentals-coral-falls-in-naples,-fl
- gulfcoastrentals.com
- florida3.com

Note: Some owners are listed on multiple sites.

If you are considering renting a unit at Coral Falls, there are a number of things you should know:

- By-laws do not allow rentals for less than 7 days.
- Collier County ordinance does not allow our pool to be used after dusk or before dawn.
- Swimming pool can only be used by Coral Falls residents and renters.
- By-laws limit unit occupancy to six people but some units have a lower limit.
- By-laws do not allow residents to have “work vehicles” in the parking area.
- Some units permit pets but many do not.
- By-laws do not allow more than 2 pets or a total weight of over 50 pounds.
- Collier ordinance requires that dog waste must be picked up and properly disposed of.
- Some units permit smoking but many do not.
- If you are in a non-smoking unit, you may find that you have a neighbor that smokes.
- We value quiet & considerate neighbors – not partyers.

We pride ourselves on being a clean, friendly and quiet location that is close to everything. Our units are in demand and we are pleased to have many renters who are “regulars”.

If your rental unit is not listed above, please email me a link to your rental listing.

Home Prices will rise, become overpriced

By June Fletcher

As a service to the many owner/investors at Coral Falls, I have reprinted the following article that appeared in the March 9, 2016 edition of the Naples Daily News.

Southwest Florida home prices are predicted to rise over the next three years but will become overpriced during that time, a housing research group predicts. Local Market Monitor's first-quarter forecast projected that average overall home prices in the Naples-Marco Island area will rise 7 percent each year for the next three years, for a total of 21 percent. That puts it 10th out of 20 metro areas in Florida that the Cary, N.C.-based group tracks. Nationwide, the firm follows 315 markets.

The projected price growth in the Naples area is almost half the cumulative three-year price growth the firm predicted in the first quarter of 2015. Last year it expected three-year cumulative price growth of 41 percent. "Economic growth has been erratic since the recession, when 15,000 jobs were lost in a relatively small market," said Ingo Winzer, president and founder of the firm, in the report.

In Naples, actual single and multifamily home prices (as determined by mortgage data the company tracks) reached \$363,800 in the quarter. Prices are 3 percent below what Winzer calls the equilibrium home price of \$376,772, which he calculates as the price where a home is neither overvalued nor undervalued. So if prices rise another 7 percent in the coming year, that would make the Naples market overvalued in a year's time. He emphasized that if "actual home prices rise well above the equilibrium level, they always eventually come back down."

Cape Coral-Fort Myers ranks fifth in the state for projected price growth, Winzer said. The metro area will see prices rise 11 percent by the first quarter of 2017. By the first quarter of 2018, they should rise an additional 9 percent, and the following year, another 8 percent, for a total increase of 28 percent. That's faster price growth than LMM predicted in the year-earlier quarter, when it expected three-year total price growth of 21 percent. With current home prices at \$224,861, it would take two years for homes to reach their equilibrium point of \$261,006, he predicted.

One reason why Lee County's housing market is expected to have stronger price growth than Collier's is because its job growth has been stronger, Winzer noted. In December, job growth in the Cape Coral-Fort Myers area rose 3.4 percent over the year, compared with 2.3 percent in Naples-Marco Island. The unemployment rate in Lee County is also less, at 4.3 percent, compared with 4.4 percent in Collier County.

"Overall, job growth was good in recent months," Winzer said in the report. He characterized growth in the tourism sector as fair in Collier County, and strong in Lee County. Kathy Zorn, a real estate broker with offices in Naples and Bonita Springs, said that while she doesn't see signs of a bubble brewing or popping, the volatile stock market, concerns over the direction of the economy, and the election are making buyers more cautious. "Buyers are telling us that maybe prices are just a little too high," she said, adding that sellers have gotten into the habit of expecting prices to inflate indefinitely. "But I don't think it's a bad sign if prices don't go up every month," she said. "It's OK."

So is it better to own or rent a home in the two metro areas? Winzer said that if the rent-to-home price ratio is greater than 4 percent, it makes more sense to rent; if below that level, buying is a better financial alternative. Rents are more closely tied to local income, while home prices more easily respond to relatively small changes in supply and demand, he added. In the Cape Coral-Fort Myers area, the current monthly rent averages \$1,025. So the rent-own ratio is 5.5 percent, making it a better market for renters. Average rents are higher in the Naples-Marco Island area at \$1,234, but home prices are much higher, too. With an average rent-to-own ratio of 4.1 percent, renting makes more sense, but only slightly.

2015 Coral Falls Unit Sales

As a service to our investor/owners who may be considering selling or buying in the existing market, I provide the following information and opinions about Coral Falls units. I am not, in any way, trained in real estate and my opinions are not endorsed by the Association. You can determine Coral Falls sales by going to the Collier County Clerk website and typing in “Coral Falls Resort”:

<http://apps2.collierclerk.com/CORPublicAccess/Search/Legal>

My review of those records show a number of units changed hands in 2015 in the \$155K to \$160K price range. That price is up from 2014 sales which were closer to \$125K. I am not aware of any unit that is for sale right now although it is difficult to learn about bank owned units. Since Coral Falls units are 1100 sq. ft., the big question is – “is \$143 per square foot a reasonable price today”? My opinion is “yes”.

In the real estate world, the only thing that matters with “comparable” units is the square footage and the price. I have listed below a number of new home communities in our area. The Esplanade is being built at the end of Rattlesnake Hammock and Winding Cypress is on the east side of Collier across from Ole’.

	<u>Desc</u>	<u>Sq. Ft.</u>	<u>Base Price</u>	<u>Cost/Sq. Ft.</u>
<u>Lely - Ole’ (only 3 new homes remain)</u>				
San Benito	2/2/1 car	1501	\$349,990	\$233
San Fernando	2/2/1 car	1227	\$319,990	\$260
Santa Rosa	3/2.5/Den/2 car	2084	\$469,990	\$225
<u>Lely – Lakoya homes</u>				
Napoli	2/2/ Den /2 car	1882	\$354,990	\$188
Arvanita	3/2/2 car	1916	\$349,990	\$180
San Remo III	2/2/ Den /2 car	1809	\$484,990	\$268
<u>Esplanade - Corte Villa Collection homes</u>				
Roma VII	2/2/Den/2 car	1689	\$309,900	\$183
Arezzo VII	3/2/Den/2 car	1926	\$324,000	\$168
<u>Esplanade - Novelli Collection homes</u>				
Piceno VII	2/2/Den/2 Car	1856	\$351,900	\$189
Farnese VII	2/2.5/Den/2 Car	2100	\$381,900	\$181
<u>Esplanade - La Palma Collection homes</u>				
Cararra VII	2/2.5/Den/2 Car	2407	\$409,900	\$170
<u>Winding Cypress – Attached Villas homes</u>				
Serenity	2/2/ Den /2 Car	1542	\$281,990	\$182
<u>Winding Cypress – Classic Series homes</u>				
Abbyville	2/2/ Den /2 Car	1671	\$345,990	\$207
Martin Ray	2/2/ Den /2 Car	1968	\$380,990	\$193
Summerwood	2/2/ Den /2 Car	1861	\$376,990	\$202

The base prices above do not include lot premiums, upgrades and furniture so the actual purchase price could be considerably higher. It is doubtful that any of these units are truly “comparable” to our units. I can find no new homes or condos being built in our area for under \$250K.

As far as resales are concerned, right now there are a large number of condos for sale at Lely Greenlinks. Their 2 bed/2 bath units are 1244 sq ft and are priced in the \$220K to \$235K range. At \$184/sq ft, that makes them quite a bit more expensive than the Coral Falls units. A real estate agent would have no trouble showing you other resales for 2 bedroom homes and condos on the market for under \$250K but many of those would be much older units than ours with higher potential maintenance costs. Since builders are choosing not to build units like ours in the present market, I believe our Condos are truly unique and will continue to increase in value. - An opinion by Tom Burch (2-407)

Rental Market

As a service to our investor/owners who may be considering changing their rental rate in the existing market, I provide the following information and opinions about rentals in our area. I am not, in any way, trained in real estate and my opinions are not indorsed by the Association.

In the last two years, a new luxury apartment home community has been built across from the Physician Regional Hospital by the name of Aster at Lely Resort. Their 2 bedroom annual lease is \$1465/mo. (1100 sq ft). Another 2 bedroom layout leases for \$1530 (1195 sq ft). A lease for only 7-8 months is \$100 more and a 9-11 month lease is \$75 more. The first floor is an extra \$60/mo. Top floor an extra \$15/mo. Pool view an extra \$45/mo. Courtyard view an extra \$15/mo. Preserve view an extra \$25/mo. Garages an extra \$140-\$150/mo. Pet rent is \$10/mo after paying an initial fee of \$350 for a 1 – 49 pound animal. The initial fee for a 50+ pound animal is \$500. The renter is responsible for cable, electricity, water, sewer, trash and pest monthly fees. If you want extra information, their website is AsterAtLelyResortApts.com

Apartments were built several years ago in Lely on the southwest corner of Rattlesnake Hammock and Collier called Sierra Grande Apartments. They have 3 different 2 bed/2bath units and their size and rental rate is: Benito – 1196 sq ft and \$1463/mo; Cortona – 1203 sq ft and \$1463/mo; Chiara – 1235 sq ft and \$1523. Their literature says “and up” on all of their monthly prices so I assume that they also charge extra for certain units based on locations. Water/sewer is an extra \$55/mo, trash an extra \$15/mo, cable an extra \$50/mo and garage an extra \$165/mo. A storage unit an extra \$40/mo for a 4’x4’x11’ size and extra money also for animals. If you want more information, their website is SierraGrandeApts.com.

The third place to talk about is Greenlinks in Lely and they have recently updated all of their units that are in the rental program. Their website is greenlinksnaples.com. All numbers that follow are for their 2 bed/2 bath unit that are 1343 sq ft.

<u>Type</u>	<u>Apr 10, 2016 – Dec 22, 2016</u>	<u>Jan 2017</u>	<u>Feb 2017 & Mar 2017</u>
Daily	\$169/day	\$279/day	\$339/day
Weekly	\$1000/wk	\$1660/wk	\$2020/wk
Multi-week	\$946/wk	\$1560/wk	\$1890/wk

These high prices seem to reflect the very high demand for rental units in Naples. Most of the owners at Coral Falls did well in 2016 and, in this “low supply and high demand” rental market, we now enjoy many “high quality” renters at Coral Falls. - An opinion by Tom Burch, 2-407