



Hurricanes are much more than a South Florida football team – by Jason Kapit

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The summer is upon us and the 5th season is HERE! Winter, spring, summer and fall are NOT the only seasons in Florida. They all take a back seat to HURRICANE season and although the past few years were tame, we cannot afford to let our guard down now.

Worth mentioning: The last time bad weather hit, food and power were scarce and fuel climbed over \$4.00 per gallon (even though it was then priced at approximately \$2.00 per gallon). Imagine what would happen to the price of fuel in the event of another catastrophe? Do you actually think reparations will be timely made following another active storm season? Believe it or not, there are some repairs that have still not been made YEARS AFTER the last active storm season. Memories of the 2005 hurricane season were short lived, 2006 and 2007 were a gift, and this year's warnings will not be heeded and unfortunately, havoc is bound to occur.

The reality: Inland Florida is no longer a safe haven from hurricanes. Wilma taught us that no matter how far inland we are, Mother Nature can be a destructive force. Roofers and landscapers are now on everyone's speed dial. Disaster restoration companies have taken over and hurricane shutter and impact glass companies will have steady work for years to come. YES, hurricane shutters or impact glass, as costly as they may be, are worth every penny. Why? Very simple. They add security, protection and VALUE to your home! Security and protection are a given. The value aspect is worth commenting on. Recently, clients of mine inquired into the cost of accordion style shutters for their 5,000 square foot, single-story home. The quote was upwards of \$35,000. Outrageous? At first glance, maybe, but in reality, how do you substantiate the purchase of a \$1,500,000 home and then decide that \$35,000 of weather protection is absurd? You have to factor in the cost of protecting [1] your most expensive tangible asset and [2] your family, certainly the most precious.

Forward look: If you already have hurricane protection for your home, great. If not, it's a bit late to start your hurricane protection quest, but give it a shot. Speak to neighbors or friends who

have protection and fared well, and ask for recommendations. Additionally, speak to your homeowners insurance company about [1] discounts for hurricane safety protection and [2] determining whether your policy limits reflect the true replacement cost of your home. Remember, we have seen tremendous appreciation over the past few years as well as substantial fall-off. It is vital to properly determine the true value of your home for purposes of insuring both dwelling and contents. Lastly, I have received a lot of questions regarding what types of damage you can file a claim for as a result of a hurricane. This too is a question for your insurance professional, but in speaking with a few CPAs, it has been brought to my attention that if the damage sustained is less than your hurricane deductible, you still may have recourse filing the damage as a “casualty loss”. Once again, you should confirm this with your tax advisor but with so many housing and financial issues in the air; make sure you obtain sound advice. Wishing you all a safe summer 2008!

This article was written by:

Jason Alan Kapit
kapit.j@ewm.com

Weston Town Center