

newsday.com/business/realestate/ny-a5290012jul13,0,1730409.story?coll=ny-realestate-headlines

Newsday.com

Real Estate

Swimming pools: An asset or liability?

BY LAURA KOSS-FEDER

Special to Newsday

July 13, 2007

Eva Wong, 61, is counting on the fact that her elaborate indoor pool complex in her Sands Point home will contribute about \$400,000 toward her asking price of \$2.98 million as she tries to sell the Colonial-style house.

The 2,400-square-foot addition cost \$250,000 to build six years ago, and features an 800- square-foot pool, wet bar, whirlpool, cascading fountain, bathroom and outdoor patio for entertaining.

Wong - an empty nester who is looking to downsize - says the pool is a great place for entertaining and a source for year-round exercise. She says it is worth the \$4,000 it costs a year to clean, heat and light.

"If you have a home and property with enough space and acreage, a pool adds a great deal of value to a house," says Wong, who owns her own real estate firm in Fresh Meadows and is listing her seven-bedroom, 8,000-square-foot residence with Century 21 Laffey Associates in [Manhasset](#).

While an indoor or outdoor in-ground pool can be a value enhancer to a house - especially in summer months when a quick dip seems like a great way to cool off - the actual amount that it can add to the sales price of a house varies. More often than not, buyers will pay a premium of 5 to 10 percent for a house with a well-maintained pool, says Colby Sambrotto, chief operating officer of [www.ForSaleByOwner.com](#), a Manhattan-based Web site owned by the Tribune Co., the parent company of Newsday.

In fact, rental properties in places like the Hamptons will have the cost of installing a pool paid off in just three seasons - because pools on that part of Long Island are very desirable, says Diane Saatchi, senior vice president with the Corcoran Group real estate firm in [East Hampton](#). All this compares with the cost of building a pool, which can run from \$25,000 to \$44,000 - depending upon the type of pool, says Michael Inzerillo, vice president at Pools by Jack Anthony Inc., a [Southampton](#) designer, builder and installer of pools throughout Long Island.

"A pool adds nominal value to a home, but in a tougher market, it is a way to help market a property and draw more attention," says Jonathan Miller, president and chief executive of Miller Samuel, a Manhattan-based appraisal firm.

But a pool may turn off some buyers and potentially limit the number of would-be lookers. Recent news stories of drownings in backyard pools reinforce fears that some parents of young children have about owning a home with a pool.

Skimming the surface

Above-ground pools are cheaper to install and less permanent than in-ground pools but they don't raise the value of a home as much since they can more easily be removed, agents say. And if the pools are not properly maintained, they can detract from the value of a home, Sambrotto says.

If the pool has cracks and is dirty, that could actually bring down the selling price by about 10 percent, Sambrotto estimates.

"If you have a nice pool, market it with online videos and great color photos and even serve some lemonade out at the pool when buyers visit," Sambrotto says. "If your pool is in disrepair, try to fix it."

Factors that determine a pool's intrinsic value to a home include the size and condition of the pool, the mind-set of buyers who may have safety and maintenance concerns, and how much it affects the rest of the backyard.

In Wong's case, her home sits on 1.45 acres - offering enough space for the pool and ample backyard space. Ideally, a pool should take up one-third of a backyard, Inzerillo says. In addition, Wong's upscale North Shore neighborhood boasts other houses that have pools, making it more of an expected amenity.

"If your town or neighborhood has a lot of pools, then it is a positive," Miller says. "If this is not as common, then less value is placed on a pool - or it could even be seen as a negative."

Frank Lonardo Jr., 41, says the presence of a 20-by-40-foot outdoor pool is not influencing the price of the [South Huntington](#) four-bedroom, three-bathroom house his father, Frank, 78, is selling for \$729,000.

"We are basing the price on the actual home and neighborhood itself, since not everyone is going to want to buy a house with a pool," says Lonardo, vice president at First Data Commercial Services in [Melville](#).

Sellers need to address buyers' safety concerns. New York State law requires that a 4-foot-tall fence or wall with a locking gate surround any residential property with a pool, Inzerillo says.

In addition, those pools that were installed or significantly modified in New York State after Dec. 14, 2006, must have an audible pool alarm that is capable of detecting a child entering the water. Another option that homeowners can add is an automatic safety cover for \$10,000 to \$15,000, Inzerillo says.

Sellers can find out from their town if there are additional safety or legal requirements regarding the installation or use of a pool, says Neil Garfinkel, real estate partner in the law firm of Abrams Garfinkel Margolis Bergson, which has offices in Jericho and Manhattan.

Those who are buying a home in the summer will know immediately if a pool is in working order. But those who buy a home in colder months should ask the seller for some money in escrow to pay for any repairs that may be needed when the pool is opened for the season, Garfinkel says. They can also ask a seller if there is a guarantee or warranty on the pool and to see existing maintenance bills to know how much it will cost for upkeep, he adds.

Another consideration

Buyers and sellers must address insurance issues as well. Although home pool owners are not required

to take out insurance, it is prudent to buy an excess liability policy in addition to one's regular homeowners' insurance, says Long Beach independent insurance agent Deni Miller. He recommends policies of at least \$1 million, which would cost an average of \$250 a year.

"The pool is a draw and gives you more exposure; this kind of policy will give you that extra protection," Miller says.

Joseph Berardo, 36, banking director for an electronic trading company in Manhattan, has \$1 million in liability insurance on his homeowner's policy for the four-bedroom, 2 1/2 bathroom Colonial that he and wife Mayra, 36, a nurse, are selling in [Huntington](#). He says he doesn't mind paying for the extra insurance or the \$2,000 in yearly maintenance for the 20-by-40-foot pool, because he estimates that it has added about \$35,000 to the \$970,000 asking price.

He also has a safety cover for the pool and has made sure that his 5-year-old daughter, Abigail, learned to swim at a young age.

"The pool gives such a nice quality of life, and many homes in this area do have pools," says Berardo, whose home sits on one acre. "But you have to be careful and make sure that you address the needs of young children using the pool."

Ultimately, a pool should be viewed as a source of enjoyment.

"If you are thinking of investing in a pool, do it because you want to and you think it would be fun, and not just because of how it will affect the price of your home down the road," says Deirdre O'Connell, vice president and regional director at Daniel Gale Sotheby's International Realty, who oversees the [Manhasset](#) and [Cutchogue](#) offices.

Copyright © 2007, [Newsday Inc.](#)