



Walter Coe, Ph.D.

“Informed Buyers Are Satisfied Villagers”

The Villages is a Community Development District (CDD), a special purpose municipality, with many of the same powers other municipalities, e.g. cities and counties have. The Villages CDD uses the proceeds from the sales of municipal bonds to pay the costs to develop the community’s infrastructure, e.g. fire stations, sewer and wastewater treatment systems, lighting, recreation facilities, gates and entrances, etc. and public common areas, e.g. landscaping in Sumter and Marion counties. There is no such assessment for homes in Lake County.

Every Villages lot within Sumter and Marion counties is assessed a share of the CDD’s bond debt obligation. In addition, each lot is annually assessed an equal share of the cost to operate and maintain the infrastructure related to that lot’s developmental unit. Moreover, every lot within the three counties is annually assessed a modest, currently less than \$100 per year, for fire and medical emergency services.

Bond Debt and Other Cost —The “total price” for a home in The Villages, in the case of a pre-owned home is the negotiated purchase price plus the assumption of any remaining bond debt. In the case of a new home purchase, the total price is the non-negotiable advertised price plus the remaining bond debt, state doc stamps (\$7 per every \$100 of purchase price) and the cost of title insurance (about 1% of the purchase price). For a pre-owned purchase doc stamps and title insurance costs are paid by the seller. The bond varies depending on the home’s location. **Tip:** The newer the home, the higher the bond debt and CDD assessment. The average bond debt on a new \$200,000 home in the Village of Buttonwood is about \$20,000. A comparable pre-owned home just north of CR-466 in the Village of Glenview is \$2,471.

Ways to Become a Villager — Purchasing real estate in The Villages is a unique experience. There are three ways to become a Village resident: 1) purchase one of the quality pre-owned homes offered in the multiple listings by a Realtors®, 2) purchase a pre-owned home directly from a homeowner, or 3) purchase a new or pre-owned home offered by The Villages developer.

The developer’s sales representatives are not Realtors® and represent sellers exclusively. Therefore, when being shown homes by developer’s sales representatives know that you’re on your own and, therefore, have no obligation whatsoever to the developer or its representatives.

Property Taxes— The Villages occupies a portion of Sumter, Marion, and Lake counties. These counties collect ad valorem property taxes and non-ad valorem assessments. Property taxes are assessed and collected in arrears on a calendar-year basis. Non-ad valorem assessments, appearing on the same tax bill, are collected in advance on a fiscal-year basis (Oct. 1 through Sept. 30). As seen below, tax rates and assessments can vary substantially among the three counties.

As seen below, the remaining bond debt and CDD assessment can vary substantially between Sumter and Marion counties. There is no bond or CDD assessment for homes in Lake County.

*Assumes \$200,000 Taxable Value **

<u>County</u>	<u>Millage</u>	<u>Tax</u>	<u>Bond</u>	<u>CDD</u>	<u>Payment</u>
Sumter	14.4368	\$2,815	\$1,578	\$592	\$4,985
Marion	15.4328	\$2,799	\$616	\$404	\$3,819
Lake	18.7235	\$2,529	NA	NA	\$2,529

The On-going Cost of Ownership— While most fixed and non-discretionary costs of ownership is fairly consistent among the various villages, the annual bond and CDD assessments can drive the total cost of home ownership up dramatically. For example, a new designer home in the Village of Buttonwood will cost about \$1,797 per year more to own than a comparable pre-owned home just north of CR-466 in the Village of Glenview.

** While the information provided above was obtained from public records, and is deemed reliable, the broker/agent does not guarantee the results as such. Sumter County, bond and CDD assessments are average for a new home in the Village of Buttonwood. Contact the respective County Clerk’s Office for more complete information.*

www.thevillagesproperties.com