

INSIDE THE BUBBLE



**The Complete Guide to Florida's
Most Popular Community**

RYAN ERISMAN

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By Ryan Erisman

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ON THE COVER

“Golf Cart Path” by Diana Crow

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Diana Crow is a multi-talented artist who calls The Villages home.

Since 2007 she has primarily painted over 95 “folk art type” original oil paintings of The Villages that show residents enjoying activities like traveling in their golf carts, dancing at the Town Squares, watching Polo, and golfing. These original paintings are also reproduced as enlarged canvas prints, matted prints on paper and note cards in the collection "Views of The Villages."

You can view and purchase her artwork at:

DianaCrow.com

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INTRODUCTION

Welcome to another edition of *Inside The Bubble!*

If you are a long-time reader, welcome back! I hope you find this book gets better with age.

If you're new here and just starting to learn about The Villages, congratulations on taking the first step towards learning about the ins and outs of Florida's most popular retirement community.

Thank you for allowing me to be your guide. The Villages community is an incredible place, but I must warn you that it is not for everyone. Thousands of people buy and move here every year, but thousands more take a close look and decide it's not their cup of tea.

I hope this book plays a role in helping you decide if the community is right for you.

If you enjoy this book yet still crave more information, you're in luck. Since October of 2010 I have been writing and sending out a monthly newsletter called ***Inside the Bubble Monthly*** that's separate from the brief emails I send most weekends.

Basically, I take the firehose of news and information that gets reported about The Villages every month, and distill it down into what I think are the 15-20 most important and relevant stories people need to know about.

It's also a great way to stay on top of all the changes happening in The Villages between my book updates.

You can learn more and subscribe at: InsideTheBubble.net/newsletter

Thanks again for reading!

Ryan Erisman

CHAPTER 2

HISTORY OF THE VILLAGES

Like many pioneers and speculative businessmen before him, Harold Schwartz began development of The Villages as a result of one of the state's land booms.

The Florida sunshine has long been a draw, calling those who live in colder climates to move to the state. The rush for land began when Florida was still a territory, with cotton growers flocking to the panhandle, and settlers and seaport merchants populating the both coasts. In 1880, Florida's population was roughly 269,000, with people mostly in Jacksonville, Key West, Pensacola, Tallahassee, and Tampa.

Steamboats and Seminoles

When steamboats arrived on the scene in the early 1820s, they opened up the interior of the state for settlement. Florida's statehood in 1845 also drew more people to the area. Though some Northern naysayers doubted the value of Florida land beyond the St. John's River (which runs parallel to the east coast, from Jacksonville to the central part of the state), tourism, and ensuing settlements, pushed west, beyond the river. By 1869, the steamers had found a path from the St. Johns all the way to Silver Springs, near Ocala (less than 25 mile from present day The Villages).

The first settlers in Marion County, home of The Villages, came to the area in the 1840s for the free land being offered as part of the Armed Occupation Act. The act was passed as a way to populate the state and to control the Seminole Indians who were already occupying the land. The county was officially created in 1844, and until 1853, it included large parts of what are now Lake and Sumter counties (the other two counties across which The Villages spreads).

By 1880, the State of Florida's budget was flagging. Its major asset was its nearly 200,000 acres of "swampland," which was put up for sale. Attracted by the potential

offered by cheap land in the Sunshine State, Northern industrialist, Hamilton Disston began snapping up the property. Eventually Disston owned four million Florida acres; roughly one-ninth of the state. Disston developed infrastructure for his land, which drew new residents to Florida en masse. This revitalized the state and paved the way for the railroads.

Railroads, largely built by Henry Flagler, ended the steamer era but further opened up the interior of the state. Rail service reached Marion County in 1881. Florida tourism blossomed. The Ocala area was at center stage with Silver Springs and its much-touted glass-bottomed boats. During this gilded age, tourists came to the state via opulent railcars and they wintered in magnificent resorts built by the railroad tycoon. This land boom lasted until the Panic of 1893, when over-building set off a series of bank failures.

The 1920s Boom and Beyond

As the end of World War I helped re-stabilize the economy, Florida's allure as an exotic paradise once again put the state in the real estate spotlight. With people like Miami investor Carl Fisher proclaiming, "It's June in Miami," land sales took off again in the 1920s and soared with the frenzy and electricity of the Jazz Age.

Fisher's promotional efforts called people to Florida, and his Dixie Highway, running from Indiana to Miami, made it easy for people to travel to the state in the newly popularized automobiles. Miami and South Florida saw great growth during the 1920s, but other real estate speculators saw the success of men like Fisher and set up land schemes of their own throughout the state.

Again, over-building and greed began to shatter the Florida real estate dream. By 1925 the northern press was warning people about sham Florida investments. If the press didn't drive the message home, the Miami Hurricane of 1926 did. The category-4 storm smacked the coast, devastating Miami and pushing Florida into Depression three years before the rest of the country.

Florida wouldn't begin to recover until after World War II. The next real estate boom wouldn't happen until the 1950s -- a time when enterprising men, such as Harold Schwartz, once again began touting Florida as a tropical oasis.

Mail Order and Retirees

After World War II, Americans had more money and more leisure time. Again the sunshine beckoned, this time calling those ready to retire. The construction of major Florida interstate highways and the invention of affordable, residential air conditioning made the move to Florida easier and more appealing than ever.

Like land sales in the 1920s, large chunks of pastureland were purchased by developers who, in turn, sold lots to Northerners hankering for a piece of paradise. Land was advertised "up North" and sold via mail order. Michigan businessman, Harold Schwartz was among those selling the dream. Similar to others in the business, Schwartz sold land in Florida and New Mexico on the installment plan. A typical deal of the time - \$10 down and \$10 a month.

By the mid 1960s, retirement communities like Del Webb's Sun City, in Tampa, and the Century Villages, in the south part of the state, were flourishing. However, sales took a big hit in 1968 when Congress banned land sales by mail.

Still holding a lot of Florida land, in the early 1970s, Schwartz and partner, Al Tarrson, began work on Orange Blossom Gardens, a mobile home park in northwest Lake County. This wide spot in the middle of a pasture was the seed for what would become The Villages.

Orange Blossom Gardens

Schwartz and Tarrson labored with Orange Blossom Gardens during the 1970s, but by the early 1980's the community had only sold 400 homes. Wanting to turn things around, Schwartz bought out his partner and asked his son, Gary Morse, to help him with the business. Morse moved from Michigan to take over operations in 1983.

Realizing that communities like Sun City, (with a golf course, stocked ponds and hobby shops), were successful, in part, due to their amenities, the father-son team began to improve the development. Morse's wife, Sharon, also pitched in with her interior design skills. She upgraded the common areas and created a "style" for the buildings and homes in the community – a concept that plays an important part in the ambience of The Villages of today.

Orange Blossom Gardens grew, and soon began pushing the boundaries of the original mobile home park. Schwartz began to purchase and upgrade large tracts of land on the west side of Highway 441, in Sumter and Marion counties.

By 1985, Orange Blossom Gardens was annexed into the town of Lady Lake. By then fiestas were also being held in the community plaza and the development had two pools, horseshoe, bocce ball and tennis courts, and the front-nine of the Orange Blossom Hills golf course. Also that year, Schwartz's granddaughter, Jennifer Parr took over home sales.

Realizing that a successful community needed more than activities to keep its residents happy, the family developers began a plan to create a self-contained community that provided everything its residents would need. Gary's son, Mark Morse, joined the team and began work on the first commercial and medical center, La Plaza Grande. The plaza drew a bank and a medical office, but to fill the plaza and lure more tenants, the family started and managed several business of their own. Orange Blossom Hills also began to design and manufacture their own homes.

By 1987 the development had \$40 million in annual sales and more than \$4-million in profits but growth continued. A bowling center and a grocery store moved in, and the size of the recreation department doubled. Home sales also flourished. The "village" neighborhood concept was created and the villages of Del Mar, El Cortez and Mira Mesa were built.

In the early 1990s, a golf course and the first recreation center were built on the new side of the highway. Orange Blossom Gardens got their first home-owned bank, and the first phase of La Hacienda Hotel was opened. Schwartz's second son, Richard joined on as golf director.

In less than a decade, Orange Blossom Gardens powered Lady Lake from a town of about 3,000 into a thriving city of more than 10,000.

The Villages

More neighborhood villages were built, and by 1991, the name of the development was changed to The Villages. Two key things propelled The Villages forward; the creation of the first town center and new form of financing called Community Development Districts (CDDs).

Community Development Districts are special-purpose local governments. They are structured so developers can control the “district” and issue low-interests bonds. Funds from the bonds are then used to build infrastructure and amenities for the district residents.

Among the amenities built for The Villages using the CDD funds was the Spanish Springs Town Square. The same firm that worked on Universal Studios designed the square, which opened in the spring of 1994. Spanish Springs gave residents a place to gather and brought The Villages one step closer to becoming the all-inclusive community dreamed of by Schwartz.

With roads, clubhouses, golf courses and other amenities already in place, people were eager to buy and build in The Villages. Sales climbed. By 2001, The Villages grew by an average of 10 new residents a day. The community had three churches (including Church on the Square), 16 restaurants, 13 pools, 28 tennis courts and a myriad of PGA and executive golf courses. Home prices ranged from \$65,000 to \$650,000, and more than 27,000 people called The Villages home.

The Villages also had its own media outlets – smartly controlled by the community’s developers: The Villages Daily Sun newspaper, with a circulation of 19,500; Village News Network television station; and a radio station, WVLG 640 AM.

The Villages Regional Medical Center opened its doors in 2002, and by the time The Villages founder, Harold Schwartz died in 2003, the community spread across

three counties and had more than 35,000 residents. That year The Villages was number 25 on Builder Magazine's Top 100 List and reported \$668 million in gross revenue, a 44 percent increase from the year before.

As usual, profits from the development were being put back into the project. As well as golf courses and roads, in 2004 The Department of Veterans Affairs accepted Gary Morse's offer to build a veterans clinic in Sumter County.

It seemed like growth and prosperity for The Villages couldn't be stopped. According to construction contractors in 2004, homeowners were moving in to their new homes in as little as 90 days after purchasing their lot. To keep up with demand, more than 100,000 yards of material were being moved each day, six days a week.

Harkening back to the previous booms of the 1920s and 50s, savvy promotion was driving sales. The Villages was advertised on television "up North" during the Gridiron Classic football games (played at the community's polo stadium), and during other bowl games. The Villages also advertised during The Disney Classic golf tournaments, which were played on The Villages courses, as well as many other nationally televised golf tournaments.

A golf lifestyle had long been a part of The Villages. By 2005 it had 18 executive courses and 7 championship courses, with the most recent championship courses being designed by Nancy Lopez and another by Arnold Palmer. Villagers not only cruised the courses in their golf carts, but also drove them to the store and to the town squares. That year The Villages also had the honor of holding the world's longest golf cart parade.

Along with the golf courses and cart paths, in 2005, The Villages amenities tally stacked up to: more than 30 tennis courts, 26 pools; 5 softballs fields; bowling centers; 74 shuffleboard courts; 72 bocce ball courts; 56 pickleball courts; 57 billiards tables and 53 horseshoe pits. Plus, The Villages had two town squares, a wellness center, a performing arts center, 12 recreation centers (and clubs to keep them full), a polo stadium and a herd of buffalo.

By 2007 The Villages was one of the largest retirement communities in the U.S., boasting more than 67,000 residents. It had added six more golf courses and the num-

ber of pools almost doubled. Also, as reported by the Sarasota Herald Tribune, residents of The Villages had clubs for “just about any legal activity known to man.”

Census reports in 2008 ranked The Villages as one of the fastest-growing micropolitan areas in the nation. Population reached 75,000 residents in 38,000 homes, and The Villages of Lake Sumter ranked among the state’s top private companies.

Around 2013 The Villages became classified as a metropolitan area instead of a micropolitan area, and US Census Bureau figures released in 2014 ranked The Villages as the nation’s fastest growing metropolitan area.

From 2012 to 2013 The Villages grew 5.2 percent, gaining more than 5,300 new people. Between 2013 and 2014, The Villages population grew another 5.4%, making it the fastest growing metropolitan area in the country for the second year in a row.

Passing The Torch

Gary Morse passed away at the age of 77 in October of 2014. After his passing, tributes poured in from local, state, and national leaders including Jeb Bush, Marco Rubio, and then Florida Governor Rick Scott who wrote:

“Gary was a champion of Florida innovation. When molding The Villages into the one-of-a-kind community it is today, Gary demonstrated what makes our state so great – the idea that anyone can make a positive, lasting impact in the lives of generations to come. Gary’s boldness and entrepreneurial spirit is known internationally and helped define Florida as the place where anything is possible. Ann and I send our condolences to Renee, the Morse family and the entire community of The Villages today.”

His kids, who have long worked alongside him in the development of the community, vowed to keep his dreams for the future of the community alive.

CHAPTER 3

THE VILLAGES TODAY

And since Gary Morse's passing, they have done just that!

The Villages crossed over the 100,000 people mark in 2012 and the 125,000 people mark in 2017. According to data released in 2019, by 2018 that number had risen to 128,754. When the 2019 numbers are released in 2020, we can all expect that number to have increased again.

For as long as The Villages has been around, there's always been a fear that the developers would one day sell out to some big conglomerate and things would go downhill.

After all, these things often happen when there is a changing of the guard.

But the development team now in place has said repeatedly that they are here to stay, and their actions have backed up those words.

Members of the developers family hold active roles in almost every facet of the business.

From the development team itself, to the marketing department, the sales and leasing division, the design team, the entertainment division, and more, you don't have to look far to find someone related either by blood or by marriage to the community's leadership.

In previous editions of this book I've always mentioned the looming "build-out" as The Villages was simply running out of land to build on.

The developer's themselves would even allude to it in their annual addresses and in marketing materials.

But in the last few years, their tune has changed.

They've acquired a lot more land, and instead of "build-out" it's all about growth and expansion.

We'll get to those new areas in a bit, but first let's have a look at new home sales in recent years.

The Villages has held the #1 spot in the country for new home sales on a pretty consistent basis, but in 2016 they were edged out by Irvine Ranch out in California.

According to John Burns Real Estate Consulting, in 2017 The Villages regained the top spot with 2,231 new home sales, and retained their best-selling spot again in 2018 with 2,134 new home sales.

The second best-selling community in the country in 2018 was Lakewood Ranch in Sarasota with 1,482 new home sales.

Because my book updates occur a few months before the updated new home sales stats are released, you might look at the chart and information on this page in 2020 or even 2021 and think it's out of date. But its the information I had to go on when I completed this update in December 2019.

That said, you can always find the latest stats available at: <https://www.insidethebubble.net/new-home-sales/>

New Home Sales in The Villages

Year	Sales
2003	3,329
2004	3,955
2005	4,263
2006	3,963
2007	2,403
2008	2,238
2009	2,115
2010	2,208
2011	2,307
2012	2,851
2013	3,419
2014	2,601
2015	2,294
2016	1,966
2017	2,231
2018	2,134

Villages of Fruitland Park

In 2013, neighboring town Fruitland Park signed a deal that allowed The Villages to build the “Village of Pine Ridge” and the “Village of Pine Hills”, slated to include more than 2,000 new homes and three community centers within its boundaries.

These were intended to be the final new homes built in The Villages, and in a video put out in the summer of 2015 as they were opening up the Village of Pine Ridge, Director of Sales Jennifer Parr stated:

“At long last, the moment we’ve all been anticipating, the grand opening of our final phase of new homes, the Village of Pine Ridge and the Village of Pine Hills.”

But not so fast...The Villages is not done yet!

Villages South of State Road 44

In early 2016 The Villages announced the development of approximately 3,000 more homes in the Village of Fenney, to be located about 4 miles south of The Villages.

When first announced, it was said that even though Fenney would not be golf cart accessible from The Villages, residents of Fenney would enjoy the same privileges and use of facilities that all other residents of The Villages have.

Things have changed since that first announcement though, and in April 2017 The Villages announced the acquisition of even more land, and plans to tie everything together, making the entire community golf cart accessible.

The first residents began moving in to Fenney in 2017, and the Fenney Recreation Center, Spanish Moss Recreation Center, Blue Heron Recreation Center, Fenney Nature Trail, Fenney Putt & Play, Red Fox and Grey Fox Executive Golf Courses, and more were all open by the end of 2017 for residents to enjoy.

Since that time, even more neighborhoods including the Village of DeSoto and McClure have opened.

The first bridge over State Road 44 was put in place in 2019 and is predicted to open in 2020, with other bridges to follow.

Also in 2019, the biggest recreation center The Villages has seen to date, Everglades Recreation Complex, opened in November 2019.

Villages of Southern Oaks

In the last update to this book at the end of 2017, I mentioned that in early 2017 The Villages bought about 8,000 more acres adjacent to Fenney that could accommodate more than 20,000 more homes.

Since that time, the amount of land they've acquired for the Villages of Southern Oaks has ballooned, bringing the number of allowed homes to be built there to around 65,000.

If that many homes are in fact built, it would DOUBLE the current size of The Villages, and the current projection is that it will take 20-30 years for everything to be built.

Of course the presence of that many more homes will require many more recreation centers and other amenities to be built to satisfy residents, and The Villages is announcing new projects at a fairly good pace.

In 2018 it was even announced that The Villages has agreed to build a 4th town square at a date and location yet to be determined (but according to agreements currently in place it must be in Sumter County) to serve residents in this area, which is quite amazing to me when I think about how many times I heard Brownwood described as “our third and final” town square.

It's all very exciting, but moving to the southern portion of The Villages where all of this is happening currently results in a trade-off.

On one hand, residents are getting the latest and greatest amenities. No one can argue that the recreation centers and other amenities being built down here aren't bigger and better than what exists in the rest of the community.

On the other hand though, it's going to take a lot of patience before residents can see and enjoy everything they are being promised and before everything connects.

I believe it will all happen, I just can't predict how long it will take to get enough in place for residents to be satisfied.

There are also some existing things in this future part of The Villages that may give some future residents reason for pause.

For one thing, there is a limestone quarry about 2 miles from the Village of Fenney and some residents have complained about blasting occurring at the quarry rattling their homes.

Something else you hear people talk about is the presence of Coleman Federal Prison, also just a couple miles away from homes in The Villages, which was once home to Boston crime boss James "Whitey" Bulger. If you Google "Coleman Federal Prison" you can read more about the prison and see an interesting list of other inmates that have been there.

Now, maybe these things don't bother or matter to you. To many people, they don't. But I see posts on resident message boards and forums all the time with people saying things like "my salesperson never told me about that!" so this is me telling you to do your research and necessary due diligence.

Refreshing The "Historic" District

In the last update to this book I mentioned that in 2014 and 2015, The Villages had been buying up manufactured homes in what is commonly referred to as the "historic side" of the community, removing them, and building brand new "site-built" homes.

More than 100 of these new site-built homes have been completed and sold.

As The Villages was running out of buildable land, this strategy was one way to keep construction crews working and homebuilding profits flowing.

With The Villages now moving full speed ahead in the southern portion of the community, I haven't heard anything recently about the refreshing of the historic district. But if you happen to be in that area and wonder why new site-built homes are mixed in with older manufactured homes, you'll know why that is.

Why Has The Villages Been So Successful?

Occasionally I spend time with developers across the country who bring me in to pick my brain about The Villages.

The main thing they want to know is some variation of the question "Why Has The Villages Been So Successful?".

If you think of the popular real estate mantra "Location, Location, Location" ... and take into account that The Villages is essentially in the middle of nowhere, then you could probably rattle off 50 communities that should be more successful than The Villages.

Yet, they're not.

So what's the secret ingredient?

Of course its several things, and I'm going to leave out the usual suspects like more golf courses than you can shake a club at, more than 2,500 clubs and organized groups, easily accessible restaurants, shopping, healthcare and the like.

They've definitely given people what they want and have most of the basics down pat. But those are readily apparent ingredients to The Villages success that anyone can see.

Here I want to share a few of the less obvious answers I usually give when I get this question.

A Story That Spreads Easily

The Villages story is easy to spread.

When most people visit Florida looking for a place to retire they'll likely visit a bunch of communities but from experience I can tell you after you see a handful of them, for the most part they tend to run together.

You'll see beautiful houses, great golf courses, clubhouses and other amenities in all of them, but there's usually very little that stands out as unique.

The Villages has that uniqueness.

Part of it is the sheer size and amount of things available. This makes it stand out in people's minds when discussing various communities.

Part of it is the idea of "free golf for life"...that's a unique story that makes it easy to go home and tell friends about.

Also, because of their success, The Villages gets a lot of press, both good and bad.

Every time a major Republican politician (or the President himself) visits to give a speech, campaign for election, or do a book signing in The Villages and it gets picked up by major news outlets across the country, more people hear about The Villages.

When a golf cart video goes viral and racks up 4,000,000+ views like the CBS Morning Show segment did a few years ago, more people hear about The Villages.

You can't buy that kind of marketing and if you could, you probably couldn't afford it!

Even the bad press and publicity The Villages sometimes gets further spreads The Villages name and story.

The Villages has done a great job implementing “the uniqueness factor” into their marketing as well, going all the way back to when Harold Schwartz used to have prospective buyers picked up at the airport in a limo.

You think those people went home and told their friends about that unique experience?

You bet they did.

Longevity

It’s easy to look at the success of The Villages and assume it came overnight. In reality, The Villages is anything but an overnight success.

Begun as a struggling mobile home park called Orange Blossom Gardens in the 1970’s, The Villages has survived through six U.S. recessions and a few real estate downturns.

They stuck it out through thick and thin, and even though their “thin” times were not as bad as that of many others, you gotta give them credit for sticking to the plan.

Not to mention, the unique story we talked about in Reason #1 has had all that more time to spread and take root.

It’s a Family Affair

When you look at the size of The Villages and the amount of home sales and revenue they generate each year, without knowing the make-up of the organization and the history, an outsider could easily assume that a giant publicly traded company is running the show.

Yet that’s not the case.