

WHAT POOL TYPE SUITS YOUR LIFESTYLE?

By: Ami Schlader, Vice President, Private Banking Team Leader

Some say there's no better way to relax at home than lounge around the pool. And on a hot summer day, floating in your pool's cool blue water is the fastest way to beat the heat regardless of where you live.

People have many other reasons for putting pools in their yards – instant fun for the kids, grandkids and their friends, no more expensive family trips to crowded water parks, great place to entertain, health benefits, convenience, privacy, improved property appearance, higher home resale value – the list goes on.

But there are issues you need to consider before jumping into the deep end, so to speak. First of all, a backyard pool may require even more fencing because of safety issues and hazards. If you don't live in a state with a hot climate most of the year, a pool doesn't make much sense for only a few months of use. The maintenance can be tedious and time consuming, the chemicals expensive, and the liability insurance costly. Not to mention some homeowners are reluctant to give up their spacious yards and beautiful landscaping.

While a swimming pool in your backyard can give countless years of enjoyment and entertainment for your family and friends, it's a major addition to your home and property. A number of factors and decisions can quickly drive up the overall cost of the project, so you need to consider your options carefully. Here's some guidance for an important first step in the process, along with information regarding several types of pools you may want to consider.

IS A BACKYARD POOL WORTH THE INVESTMENT?

According to HomeAdvisor, the cost of building a backyard pool averages between \$15,259 and \$42,720. The cost of installing an inground pool ranges from \$36,750 to \$66,500. Depending on its design and special features, a custom inground pool can cost \$100,000 or more.¹

START WITH AN APPRAISAL OF YOUR PROPERTY

According to the National Association of Realtors[®], start by calling an appraiser to get an estimated value of your home. A professional appraiser can compare similar properties in your area and analyze whether potential buyers for homes in your neighborhood are willing to pay a premium price for a swimming pool. The association estimates swimming pools may increase the value of a home by 4% to 6%, especially if you live in an upscale neighborhood in warmer regions of the country.²

SELECT THE TYPE OF POOL YOU WANT

Generally statistics show that water enhancements in a variety of shapes and sizes can increase the value of your home. The features range from simple water fountains, hot tubs, and above-ground pools to elaborate waterfalls and spas.

With inground pools, you will need to consider the following:

VINYL LINER POOLS: This type of custom pool has three advantages: it's cheaper than most types to install, easy to maintain over time, and it can be installed in a few weeks. Vinyl is a smooth surface with a low algae threat, so fewer chemicals are required. There are a few drawbacks, such as a messy installation process and needing to replace the liner every five to ten years (sooner if punctured). However, if you're looking for a large pool at an affordable price, this type might be a good option.² (Installation cost: \$20,000 to \$50,000¹)

FIBERGLASS POOLS: Swimming pools made from fiberglass are as durable as concrete and require the lowest maintenance. Just as with the vinyl liner pools, the smooth finish doesn't allow algae to grow and fewer chemicals are needed. Because of the resiliency of fiberglass, there is no need to replace the coating. However, you may have to resurface if the pool develops cracks or fades in color. You will also need to regularly test your pH levels, because the fiberglass surface will affect the chemical composition of your water. (Installation cost: \$20,000 to \$60,000¹)

CONCRETE POOLS: If you're wanting a durable pool that you can enjoy for a lifetime, one made of concrete may be the answer. Concrete pools offer many desirable features such as water jets, waterfalls, spillways, fountains, and hydro-massage. These are the types of pools you usually find at resort properties and aqua parks. You can also design a concrete pool in any shape you want. You will want to start the building process during the off-season, as installation is a lengthy process. In addition to having to be resurfaced every ten years or so, concrete pools require intensive maintenance, chemicals, pH control, and frequent chlorine and calcium level checks.² (Installation cost: \$35,000 to \$65,000¹)

STAINLESS STEEL (INOX) POOLS: Of all the types of pools, these are the most expensive custom pool structures to install. Not only are they ideal for inground installation, architects also incorporate these pool designs on rooftops in high-rise buildings. Stainless steel pools are lightweight, and they will not crack, delaminate, peel, discolor, corrode, or leak. It's a popular trend to finish these swimming pools with ceramic tiles, stone veneers, glass mosaics, or other exotic materials for enhanced beauty.² Installation costs vary greatly based on the size of the pool, architectural design, and premium costs of materials and labor.

PAYING FOR YOUR POOL

Should you decide to finance your swimming pool rather than paying cash, home equity lines of credit or a loan against your investment portfolio³ are both attractive and cost-effective options with interest rates at historical lows. We offer a home equity line with no bank fees at closing and a competitive floating interest rate. Depending on the terms of your existing first mortgage, a refinance cash-out mortgage may be a solution that can tap the current equity in your home, reduce your existing interest rate and/or reduce the term of an existing mortgage. Contact Commerce Trust Company today for more information regarding your options.

¹ HomeAdvisor, “How Much Does It Cost to Put in a Pool?” <https://www.homeadvisor.com/cost/swimming-pools-hot-tubs-and-saunas/build-a-swimming-pool#inground>, January 19, 2021.

² realestateagent.com, “The Pros and Cons of Installing an Inground Swimming Pool,” <https://www.realestateagent.com/blog/pros-and-cons-of-inground-swimming-pool/>, last updated December 21, 2020.

³ Securities-based borrowing exposes the borrower to some risks. If the value of the underlying investments decreases sharply, the borrower may need to expedite repayment or sell investments to meet the terms of the agreement. Selling investment securities may result in adverse tax obligations. An experienced advisor can help you see how securities-based lines of credit can play a role in a comprehensive approach to wealth management.

The opinions and other information in the commentary are provided as of March 30, 2021. This summary is intended to provide general information only, and may be of value to the reader and audience.

This material is not a recommendation of any particular investment or insurance strategy, is not based on any particular financial situation or need, and is not intended to replace the advice of a qualified tax advisor or investment professional. While Commerce may provide information or express opinions from time to time, such information or opinions are subject to change, are not offered as professional tax, insurance or legal advice, and may not be relied on as such.

Data contained herein from third-party providers is obtained from what are considered reliable sources. However, its accuracy, completeness or reliability cannot be guaranteed.

Commerce Trust Company is a division of Commerce Bank.



1-855-295-7821 | [commercetrustcompany.com](https://www.commercetrustcompany.com)

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE



Commerce Trust Company is a division of Commerce Bank.

ABOUT THE AUTHOR



AMI SCHLADER

Vice President, Private Banking Team Leader

Ami is a private banking team leader for Commerce Trust Company. As a member of the private client team and an experienced, tenured private banker, she and her dedicated client support staff are responsible for ensuring each client's experience with Commerce Trust exceeds expectations. Ami's specific responsibilities include management of our clients' day-to-day banking, cash management, and credit needs, while also helping them navigate the wide array of our financial services to find the solutions that best fit their needs. Ami joined Commerce Bank in 1999 and spent the first two years as a branch manager. Before joining the Wichita office in 2016, she was a private banking relationship manager for 15 years in the Kansas City market. Ami works closely with numerous physicians and physician groups to ensure that their complex mortgage needs are met simply and effectively. She received her bachelor of science degree in economics from University of Iowa in 1997. Ami has been active in a variety of charitable organizations, the Junior League of Wichita, Music Theatre Wichita and Wichita's Children's Home.



1-855-295-7821 | commercetrustcompany.com

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE