



## Outer Banks Market Snapshot

*We are pleased to present the 2008 mid-year report . This report focuses on the real estate market on the Northern Beaches of the Outer Banks. Four specific market segments are identified. These include an over all view of Dare County's Northern Beaches, the market segment of the town of Duck, the market segment of the town of Southern Shores, and the market segment of Kitty Hawk combined with Martin's Point. It compares the statistics of the sold properties in each area in 2008 to the same areas in 2007 during the months of January through June.*

During the first half of 2008 the number of residential sales was down over 2007 for Dare county beach residences. Average sales prices in this market segment were also down 10%. Sales prices have now dropped to levels not found in almost five years. Bank owned properties played a key role in these reductions. Many of these foreclosure properties were offered at below market value and sold in just a few days.

Inventory has bottomed out and is now at seasonally adjusted lows not seen since 2004. This reduction in inventory is as much a factor of sellers refusing to sell as it is for buyers purchasing. This phenomenon is unique to this market where many properties were purchased with discretionary funds and sellers do not have to sell.

Despite these indices, more buyers have become active as of late. Contracts in both May and June of 2008 were solid and inquiries are beginning to pick up again. This activity is likely the result of the increased affordability of Outer Banks real estate. Rental income is up over recent years, prices are down and interest rates are still very good.

Sellers today must aggressively price their property in order to attract today's buyers. They should take time to compare their property to the competition and price it to be the next property sold. Buyers today can find great values in almost every segment. With a little effort they can secure a property at a price not seen in recent years.



Standing: Left to right: Jeff, Lori, Ellen, Ken and Karen

We hope you find this edition of the Scott Team Report to be informative and useful. If you have any questions regarding it, please feel free to contact us toll free at 866-438-8382

Sincerely,

President ABRM,CRB,RRS,e-Pro,SRES  
Scott Team Realty



**Dare Beaches North of Oregon Inlet:** Houses –10% Lots –20% Significantly fewer residences were sold north of Oregon Inlet during the first half of 2008. Buyers favored properties in the lower price ranges resulting in a 10% reduction in the average sold price. Lot sales were slightly up over 2007 but buyers paid considerably less this year.

HOUSES	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price	LOTS	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price
	2008	287	\$428,993	184		94.3%	2008	43	\$207,637
		-10%					-20%		
2007	415	\$471,547	181	94.6%	2007	38	\$249,762	241	92.6%

**Southern Shores:** Houses –30% Lots +1% Unlike last year his market mirrored the broader market area with fewer residential sales and reduced sales prices. It is interesting to note that the average days on the market and the list price to sales price ratio were both better. This indicates that buyers recognized good values and moved quicker to purchase them.

HOUSES	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price	LOTS	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price
	2008	23	\$478,946	146		94.9%	2008	4	\$250,000
		-30%					+1%		
2007	49	\$626,363	212	93.8%	2007	2	\$247,750	322	90.1%

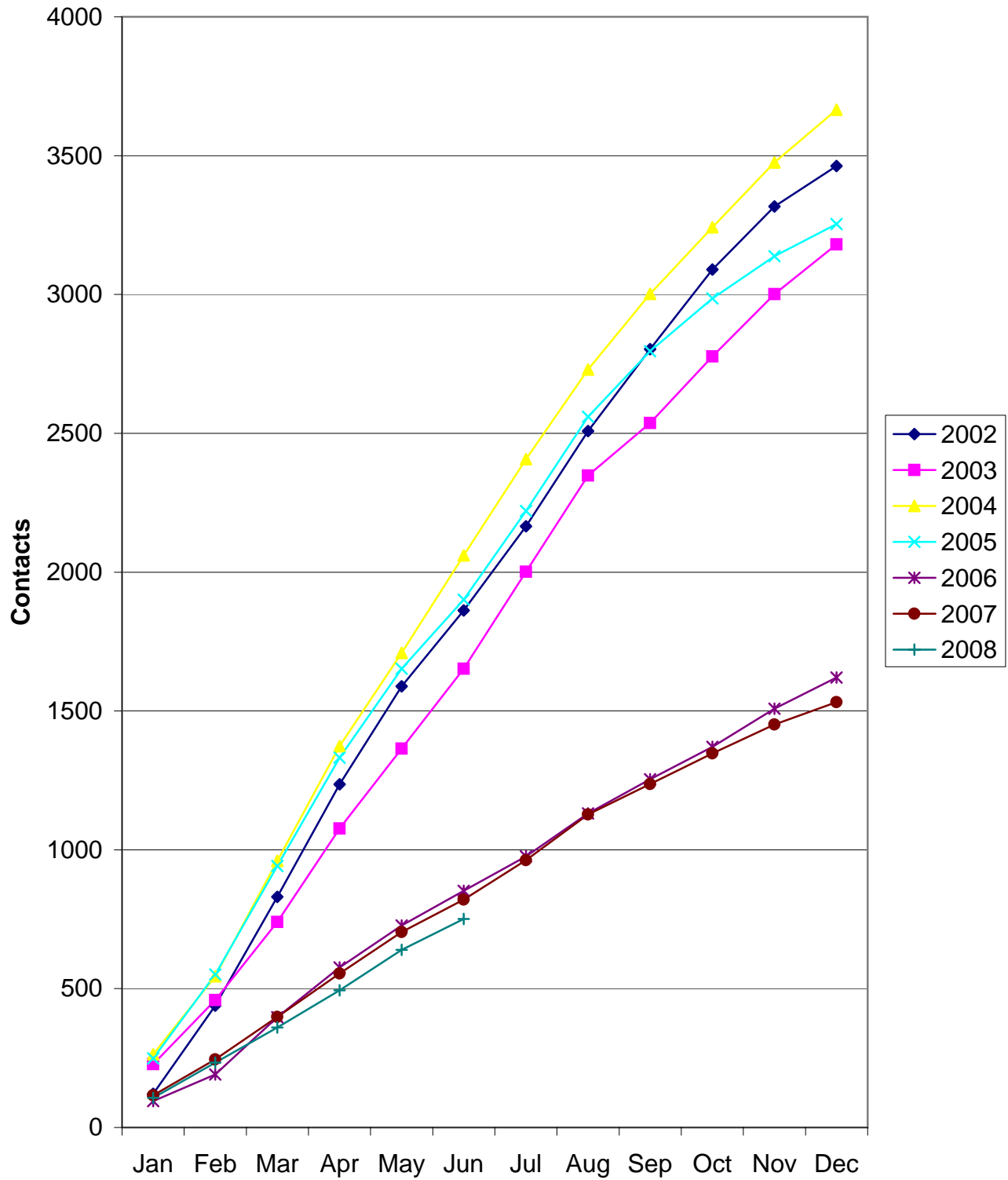
**Kitty Hawk and Martin's Point:** Houses –7.5% Lots +12% This market segment also saw a reduction in the number of properties purchased. The average days on the market in this segment and the list price to sold price was similar to last year indicating similarly motivated buyers and sellers.

HOUSES	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price	LOTS	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price
	2007	31	\$417,920	164		94.8%	2008	7	\$384,286
		-7.5%					+12%		
2007	55	\$449,475	170	95.1%	2007	10	\$340,854	252	93.9%

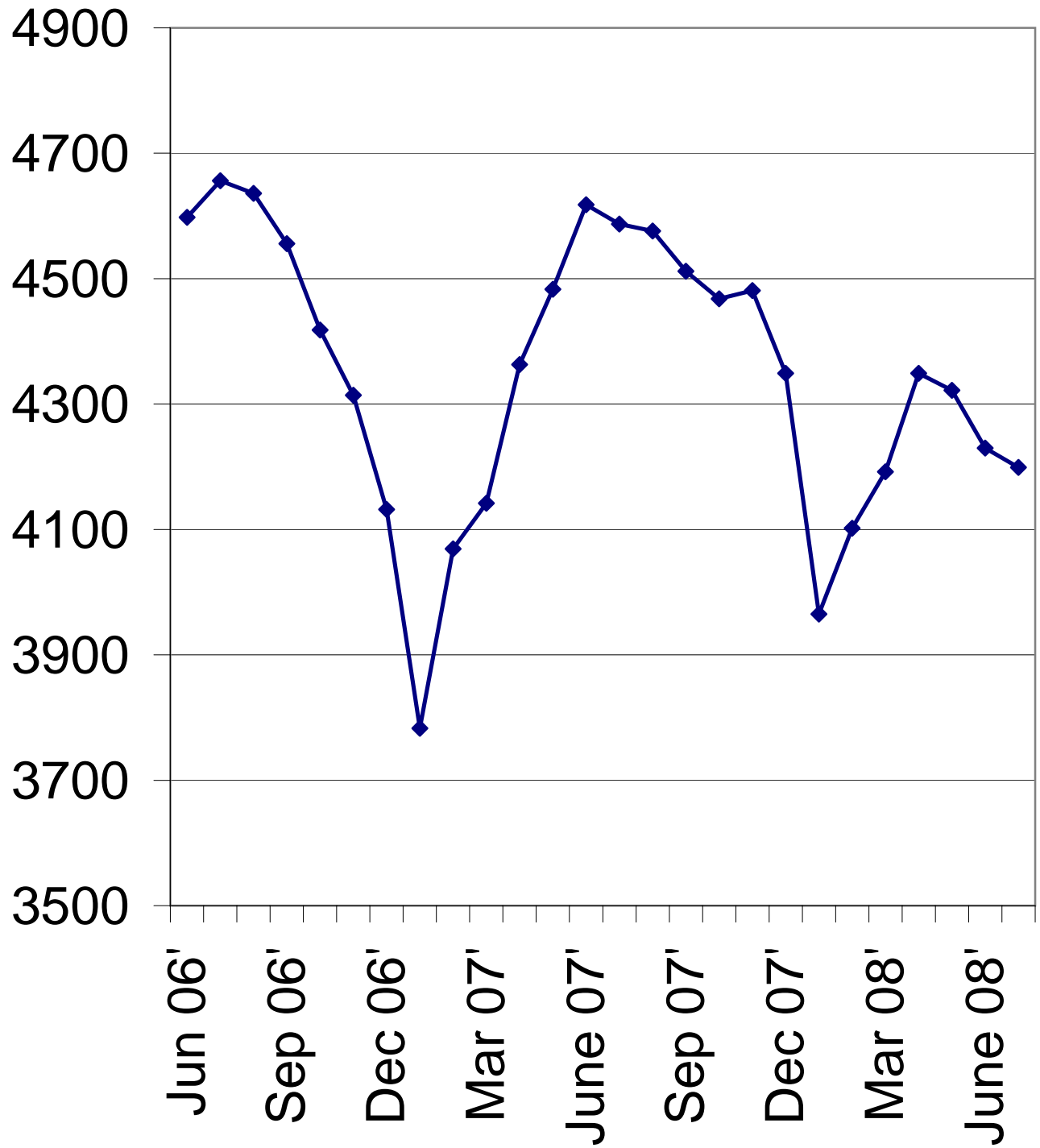
**Duck:** Houses –10% Lots NO SALES. Despite the same number of properties sold in this segment compared to 2007, the average price was down considerably indicating more modest priced homes selling than the larger more expensive homes. It is interesting to note this is the first time in years that no lots were sold during the first six months in Duck. The lack of available lots is as much to blame for this phenomenon as the market.

HOUSES	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price	LOTS	# Sales	Average Sold Price	Average Days on MKt.	List Price to Sold Price
	2008	51	\$677,061	233		94.1%	2008	0	\$
		-10%					+		
2007	49	\$750,358	174	94.5%	2007	2	\$525,000	328	89.7%

# Total OBX MLS Contracts



# Total OBX MLS Listings



# Outer Banks Absorption Rate

(Number of Contracts/Number of listings)

