



## Outer Banks Market Snapshot

*We are pleased to present the mid year report for the first half of 2005. 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 the Northern Beaches, the market segment of Corolla on the ocean side of NC 12, the market segment of the town of Southern Shores, and the market segment of all Kitty Hawk as well as the Martin's Point subdivision. It compares the statistics of the sold properties in each area in 2005 to the same areas in 2004 during the months of January through June.*

Overall trends: The dominant trends in the Outer Banks real estate market point towards another favorable year for owners of Outer Banks property. Fueled by strong demand, sellers are still enjoying double digit increases in average sales price. However, most areas are also seeing an increase in supply. This trend is making buyers more price sensitive.

The trend of exploding prices in the resort and second home market has now been recognized as a national trend by the National Association of Realtors. Their recent survey showed that one third of all residential sales were either a second home or an investment property. Many economists see the demand continuing as the baby boomer generation continues to satisfy their appetite for resort and recreational real estate.

The trend of increased inventory may also continue for the short term. After seeing huge increases in their new tax assessments, many Outer Banks property owners decided to sell their property. Over the long term, this inventory generating phenomenon should end.



Standing: Melissa, Ellen, Karen, Ken, Lori  
Sitting: Paige, Jeff

We hope you find this mid year 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,

F. Jeffrey Scott  
President, Scott Team Realty

**Dare Beaches North of Oregon Inlet: Houses +13.3% Lots +10%** The overall picture for Northern Beaches real estate for the first half of 2005 was very favorable. However there was a slight decrease in number of sales in this area compared to 2004. A slight decrease in number of buyers and the average days on the market point towards buyers that are becoming more price sensitive. Lot sales continue to be off due to lack of inventory.

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
	2005	640	\$527,491 +13.3%	139		96.6%	2005	146	\$287,075 +10%
2004	707	\$465,333	148	97.2%	2004	179	\$260,968	156	96.5%

**Southern Shores: Houses +10.7% Lots +11.2%** The market in Southern Shores continues to be strong with a slight increase in number of home buyers and a healthy increase in average sold price. Also the average days on the market has gone down considerably. Many well priced, newly listed properties have sold quickly. It is possible that people are now, more than ever, recognizing the value of this area. Lot sales continue to be off due to lack of inventory.

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
	2005	71	\$624,305 +10.7%	132		94.3%	2005	19	\$305,252 +11.2%
2004	69	\$563,615	148	97.5%	2004	26	\$274,284	170	96.3%

**Kitty Hawk and Martin's Point: Houses +10% Lots +35.8%** Improved properties in this area have shown appreciation similar to other parts of the Outer Banks. The average sold price of unimproved properties in this area has gone up considerably more than most places on the Outer Banks due to an increase in sales in more expensive areas of this market segment.

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
	2005	70	\$437,184 +10%	137		98%	2005	31	\$339,448 +35.8%
2004	87	\$397,203	155	97%	2004	22	\$249,813	159	95.9%

**Corolla Ocean Side: Houses +15% Lots +40%** The increase in average sold price of houses is similar to 2004 in this market. However the average sales price of lots has gone down slightly. It is expected that this trend shall change in the second half of 2005 due to the scarcity of unimproved land in this area.

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
	2005	148	\$992,079 +15.6%	140		97.2%	2005	21	\$436,228 -7%
2004	162	\$857,467	144	97.7%	2004	42	\$468,886	195	99.2%

\*Please note this report compares OBAR MLS statistics from the first half of 2004 with first half of 2005

# OBX MLS Contracts

