



Outer Banks Market Snapshot

We are pleased to present the 2008 end of 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 December.

The Outer Banks real estate market was marred in 2008 by the credit crisis and economic uncertainty. Buyers looking to purchase faced new restrictive lending practices requiring higher down payments and higher interest rates for loans more than \$417,000, (the local conforming rate). Vacation and primary residence owners faced stiff competition from banks that took back property. In the last quarter of 2008, over 17% of properties sold through the local Multiple Listing Service were bank owned. It appears that most banks' primary concern has been clearing bad debt off their books. As a result prices dropped especially during the last half of the year.

The real estate market should continue to favor buyers into 2009. There are a variety of properties for sale despite many sellers removing their properties from the market. Furthermore, interest rates recently dropped close to historical lows making real estate more affordable now than it has been in years.

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



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

Sincerely,

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



Dare Beaches North of Oregon Inlet: Houses -12.8% Lots -16.3% Sales for residences were down over recent years. Changes in financing and the uncertain economic climate hurt both the number and value of residential sales. The number of lot sales was similar 2007 but the value was down considerably. This may be due to the decreased cost of construction.

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	486	\$436,451	197		93.9%	2008	74	\$222,845
		-12.8%					-16.3%		
2007	624	\$494,648	183	94%	2007	75	\$266,041	242	92.1%

Southern Shores: Houses -19.5% Lots -21.5% Sales in this area were relatively less affected to the slow real estate market prior to 2008. Unfortunately poor market conditions caught up with this town in 2008. Average prices dropped more here than many areas.

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	54	\$499,562	176		93.9%	2008	6	\$247,500
		-19.5%					-21.5%		
2007	79	\$620,120	202	94.1%	2007	6	\$311,166	246	91.4%

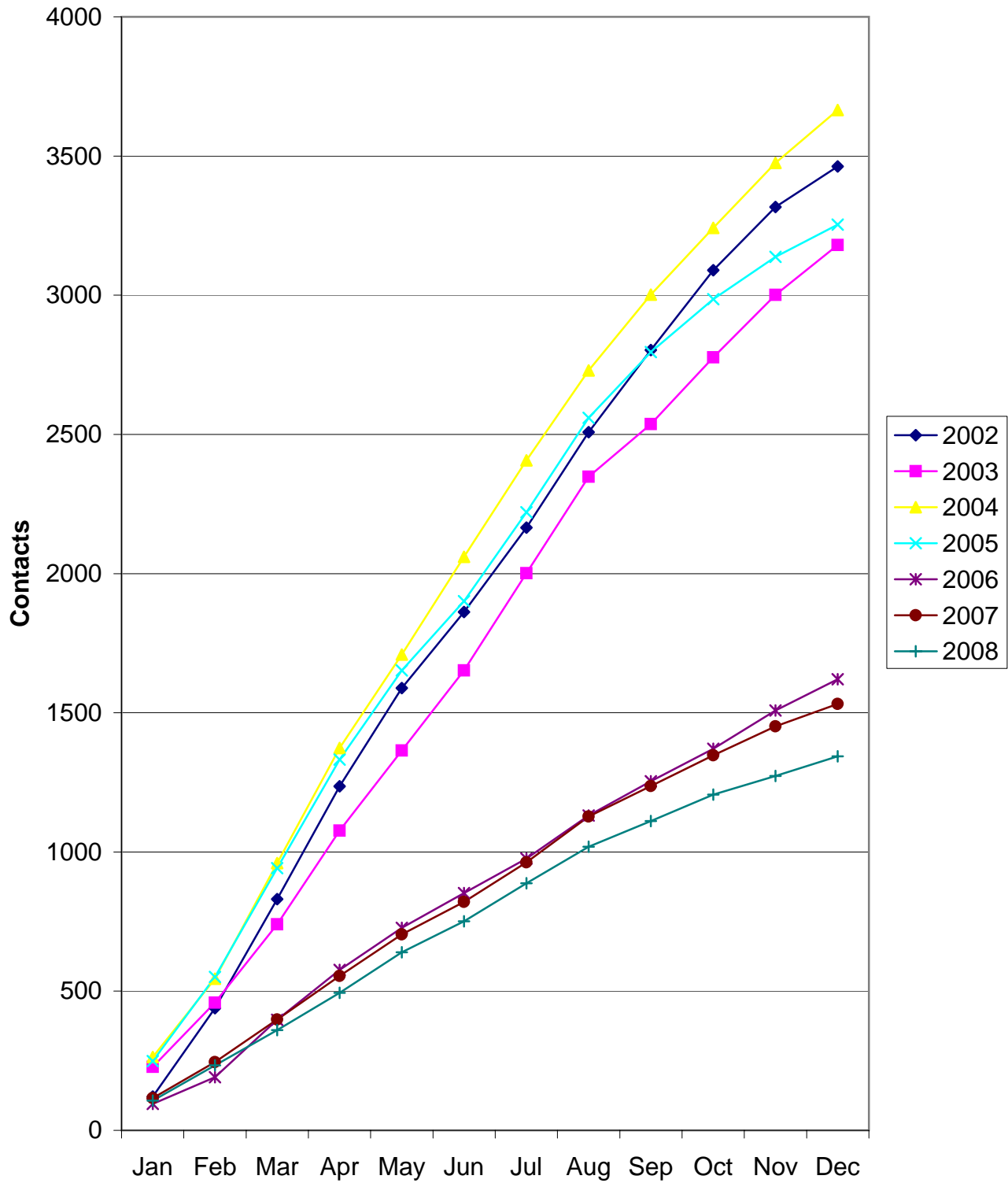
Kitty Hawk and Martin's Point: Houses -4.8% Lots -19 This area saw a minimal decrease in sales and average sales prices despite poor economic conditions. There is still some demand for lots in this area as well. An over abundance of lots for sale which caused average sales prices to decrease substantially here.

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	76	\$408,309	185		94%	2008	19	\$246,994
		-4.8%					-19%		
2007	99	\$428,701	171	94%	2007	19	\$304,831	267	92%

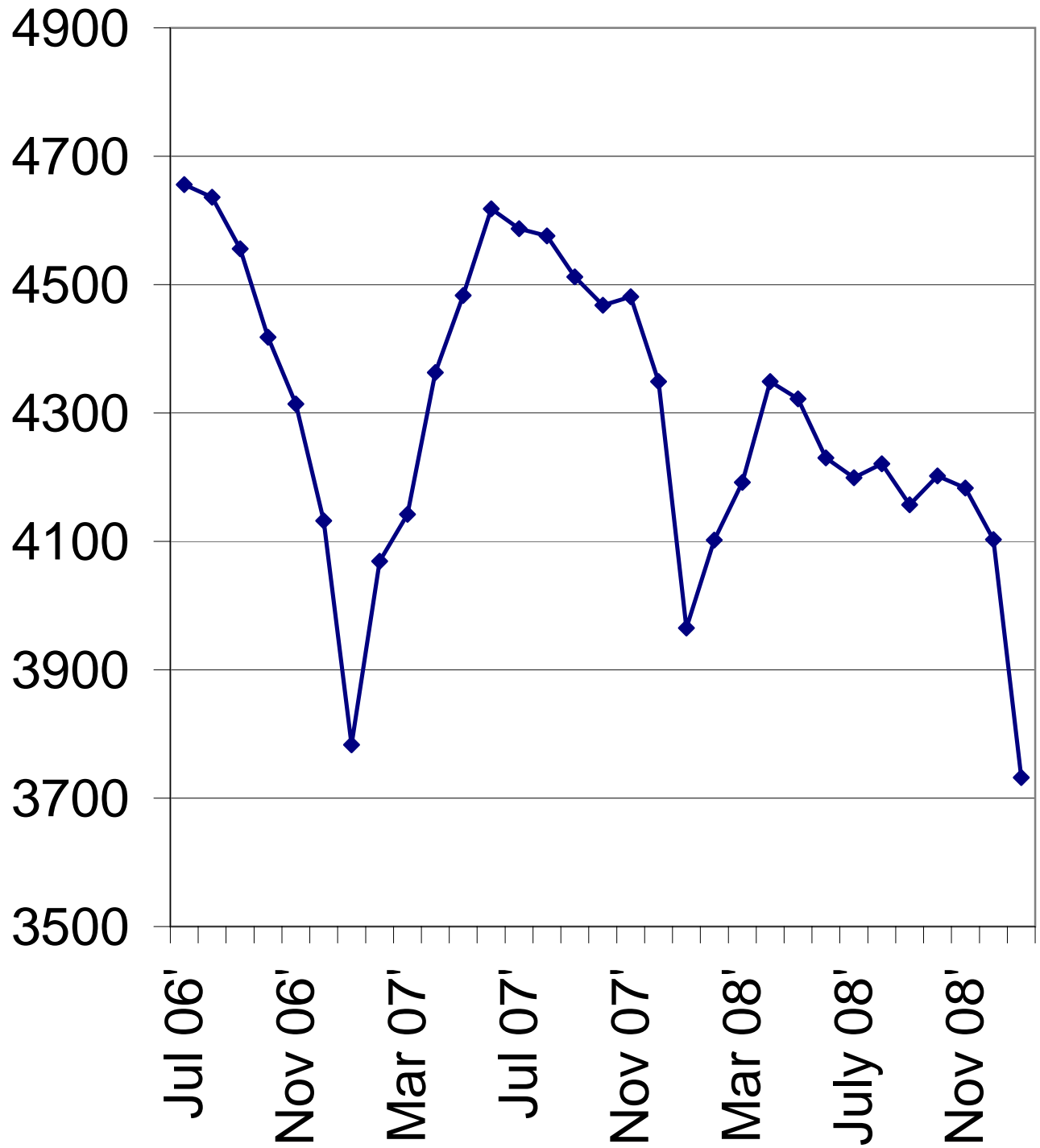
Duck: Houses -24.3% Lots -64.4% Average sales prices were down more than most areas in Duck. A possible reason for this phenomena may have been high interest rates on jumbo loans. Since the early part of this decade, so few lots are sold here that the sales numbers usually have drastic swings.

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	80	\$635,853	222		93.6%	2008	3	\$346,667
		-24.3%					-26.9%		
2007	84	\$828,360	181	93.2%	2007	5	\$474,000	262	93.4%

Total OBX MLS Contracts



Total OBX MLS Listings



OBX Absorption Rates

