



Outer Banks Market Snapshot

We are pleased to present the 2005 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 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: After four years of demand outpacing supply and double digit appreciation, the Outer Banks real estate market has returned to a more sustainable level of activity. Over the last six months of 2005 the inventory increased as the number of contracts decreased by around 18% over the same period of 2004.

This trend of increased inventory should continue into the spring. Owners wishing to sell need to know that buyers are becoming more price sensitive as this inventory goes up. When inventory is high, many times buyers will not even view properties considered priced at a premium. This makes property marketing strategy and presentation extremely important for sellers.

Conversely, this is an opportune market for buyers because interest rates are still low and there is an abundance of choices for buyers to purchase.

Many economists see the nationally recognized trend of strong second home and resort purchases continuing through this decade as the Baby Boomer Generation reaches peak earning years. This should keep demand for Outer Banks property at or near its current level.



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

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,

F. Jeffrey Scott
President, Scott Team Realty



Dare Beaches North of Oregon Inlet: Houses +11.1% Lots +18.2% After a strong spring, the market for the Dare beaches began to show signs of leveling off. The total number of properties sold decreased slightly as inventory went up. Properties considered a good value sold in a similar time frame and list to sold price ratio irregardless of slightly less demand.

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	1147	\$511,301	135		96.8%	2005	265	\$297,878
		+11.1%					+18.2%		
2004	1351	\$460,089	143	97.4%	2004	392	\$251,805	159	96.5%

Southern Shores: Houses +26.4% Lots +28.8% Both residences and lots saw tremendous increases in average sold prices here. Part of this increase was due to considerably less inventory of a specific town home subdivision in Southern Shores. The large increase in lot values demonstrates a strong perception of value among buyers and a scarcity of inventory 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
	2005	124	\$623,848	140		97.1%	2005	38	\$348,524
		+26.4%					+28.8%		
2004	132	\$493,288	158	97.6%	2004	45	\$270,434	152	95.9%

Kitty Hawk and Martin's Point: Houses +8.1% Lots +40.4% The average sales price for residences increased only slightly over 2004 in this area. However, lot sales saw a tremendous increase in average sold price. This is partly due to more high end, water front sales in this area. Homes priced at fair market value sold quicker than in years past.

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	137	\$436,614	127		97.7%	2005	56	\$337,941
		+8.1%					+40.4%		
2004	150	\$403,869	156	97.7%	2004	81	\$240,651	206	96.7%

Corolla Ocean Side: Houses +14.4% Lots +8% This is the first area on the Outer Banks to exceed a million dollars for the average residential sale. Despite considerably less properties sold, the average days on the market and list to sold price ratio remained close to the same for both houses and lots.

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	228	\$1,005,700	139		97.2%	2005	42	\$477,337
		+14.4%					+8%		
2004	276	\$878,613	139	97.8%	2004	74	\$473,387	171	98.4%

OBX MLS Contracts

