

The Lake Gaston Gazette

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BRING ME AN OFFER!

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That's a familiar phrase heard by many these days. Indeed, the seller's of Lake Gaston real estate have definitely been feeling the squeeze and constriction of the housing market brought on by the state of our economy and fear of the unknown. Almost everyone now has a friend or neighbor who wants to sell and move on with life, but hasn't been able.

And selling or not, property owners are feeling the anxiety, especially when tax assessments have jumped values so much higher than the prior assessment... so let's see how the numbers justify that.

According to the National Association of Realtors, the median existing-home price for all housing types in January was \$170,300, down 14.8 percent from a year earlier. In the South, that median price was \$152,100, down 7.4 percent, and the quantity of existing houses that sold declined by 15.9 percent.

The Lake Gaston 2008 market values - the price buyers were willing to pay for houses on and off the water adjusted backward and forward respectively, and were nearly the same as 2006 values. That is still pretty good considering these very tough times. Better news for owners of unimproved lots both on and off the water, is that median lot values continued to increase by as much as 20-40% respectively since 2006 when we saw the first signs of the market meltdown.

The number of closed transactions of Lake Gaston's waterfront homes (118 sales) declined 19% in 2008. The good news... we fared better in '08 by 21% since # of sales in 2007 was -30%. We have been bombarded with national news about property values declining as much as 20% in parts of the country; but for this local specialty market, the average price of a waterfront home in 2008 was \$536,116 down only 7% from the prior year... better than twice the national average. The median price may provide a more accurate depiction of the market values because half of the 118 sales in the Realtors® MLS were below, and half above a sales price of \$503,950, representing a small 5% decline from 2007, but up from the 2006 median price of \$494,000. The highest priced waterfront home to close in 2008 sold for \$1,600,000.

The median price of the 96 off-water homes that sold was \$110,000, representing an 11% increase in value. That market sector did a complete flip from 2007 when it had a transaction increase of 18% and median value decrease of 11%.

If you were trying to sell an unimproved lot in 2008 you needed... and still need... incredible patience. Waterfront lot closings were down 48%, still sliding in number of sales from a -30% in '07, but median prices increased 3%. Half of the 42 waterfront lots closed for \$310,000 or more.

Off-water lot closings, though also relatively few, jumped in average value by 26% last year. The median price was \$31,000--an increase of 35% over 2007.

LAKE GASTON 2008 SALES STATISTICS

Market Sector	# of Sales	% + / -	Mos. On Mkt.	Median Sales Price	% + / -
HOUSES					
Waterfront	118	-19	6.9	\$ 503,950	-5
Off-water	96	-34	7.2	\$ 110,000	11
LOTS					
Waterfront	42	-48	9.7	\$ 310,000	3
Off-water	47	-74	7.3	\$ 31,000	35

The statistics used were compiled from the Roanoke Valley Lake Gaston MLS, and taken from only those sales in NC & VA designated as being in the immediate Lake Gaston area. Of the 214 on & off-water homes that sold, 14 were new construction. The commercial sector had only one MLS property that closed last year. Detailed statistics and yearly market comparisons are available on line at <http://www.Lake-Gaston.info> through the Real Estate / Market links.

So even though we don't like seeing appreciation in our latest tax assessments, which does not automatically equate to a tax increase, we as Lake Gaston property owners are doing comparatively well through this tough time.

Unless, of course, you need to sell quickly. A need that likely won't be satisfied since the average time on market, or inventory, is 7+ months. But if you must sell now, and if you can afford to cut your price quite noticeably, there are bargain hunters watching our market just waiting to pounce on the opportunity.

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And pounce they should since these buyers are media primed for a plethora of bargains, yet our market has a minimal number of distressed, short sale or foreclosures to offer them.

Clearly, the cause and effect of this economy represents change. Some would-have sellers are instead remodeling and adding on living space instead of buying newer or bigger. Most general contractors have minimal new construction starts, and have instead shifted their business segment into remodeling and new additions. And all of this represents a huge drop in earnings for agents, appraisers, home inspectors, settlement agencies, real estate attorneys to name a few. Mortgage lenders have shifted to refinancing loans instead of generating new sales mortgages, but the good news is they do have money to lend to responsible borrowers.

So is the lake half full or half empty? For peace of mind, we can hope the infusion of Federal funds into the economy will bring about positive change... soon.

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