

Property Valuation

Property values within HVLA have increased steadily over the past 3-4 years at a rate of about 10% per year. This seems to be leveling-off. Some say that specific amenities contribute to property value more than others. However, this is very difficult to prove, and, likely a bogus point. Some people buy in HVL for the home price, some for the Lake and pool, some for the gates, some for the overall natural beauty and some for the golf course. And, then, there are some who don't play golf and do not want a home on the golf course, due to the noise, additional yard requirements, golfers' intrusions, and errant golf balls. So, we believe that there are many factors that go into relative property valuation in HVLA that actually have little to do with the amenities.

The majority of studies on this subject have concluded:

- Home valuation in HOA's depends primarily on the fiscal health and organizational functionality of the HOA.
- Poorly functioning HOA's can depress home values as much as 30%.
- Homes on-the-golf-course typically **do** fetch higher prices.
- Studies that have shown higher home values in HOA's have mostly been done by developers.

July 2018