

# **RESULTS OF RESEARCH INTO GEORGIA'S COASTAL REAL ESTATE MARKET**

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The natural amenity that dominates Georgia's coastal real estate market is the saltwater marshes. It is well known that homebuyers pay a premium for properties that have a view of the marsh. However, a related issue is the value of planned open space/ commons area inside a subdivision. We found that homebuyers also paid more for homes with access to more open space, and that their desire for these outweighed their desire for larger lot sizes. Future developers of residential subdivision therefore have a market incentive to provide open space even though nature also provides it in the form of marshlands. Other research demonstrated that the marshland price premium actually increased during the housing bust of 2008-11. This reaction of homebuyers was similar to the price of gold: both increased as people invested in the things that stood a lower chance of losing value. Finally, other research is investigating the benefits and costs of elevation retrofitting houses against flood damage. Preliminary results indicate that the price premium for an elevated house is between \$20-\$30,000. The costs are lower for houses with a smaller footprint, those without masonry or brick and houses that weren't built on a concrete slab.

*Program reference: 2.6.4*