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What to consider when buying lakefront property in the Charlotte area

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In addition to Charlotte's Uptown core and the surrounding suburbs, the region features several lakes, including the three most prominent — Lake Norman, Mountain Island Lake and Lake Wylie.

A lot of artwork and trinkets in local stores promote the saying, "Life is Better at the Lake." With so many people taking that belief to heart these days, buying lakefront property in Charlotte has become a challenge.

In the past year, new listings have dropped 4.9% at Lake Norman and 3.3% at Lake Wylie. The supply of available homes has dropped 64.7% at Lake Norman to 1.2 months and 58.6% at Lake Wylie to 1.2 months. This drop in inventory has led to higher prices, with Lake Norman seeing a 15.5% increase in the average sales price to \$579,507, and Lake Wylie, a 7.2% increase in the median sales price to \$375,000.

"When your average days on market for a healthy market drops from 80 days to an average of 18 days, that's a problem," said Helen St. Angelo, sales manager at HM Properties' Waverly office.



The two biggest factors buyers consider when deciding which lake to choose is their budget and the type of water they want to be near.

Just as living at the lake is a unique experience, so is buying lakefront property. There are many additional factors to consider when searching for a lake property that aren't necessary when buying city or suburban residential properties. Duke Energy owns many of the lakes in the area, so in addition to city and county regulations, there could be other requirements specific to each lake that are mandated by Duke.

"An agent's local knowledge of the specific lake the buyers are considering is key," said Maren Brisson-Kuester, chief operating officer of HM Properties.

Price points and values

While lakefront property typically sells at a higher price point than similar inland properties, there are also pricing differences for individual waterfront properties. Property on the main channel costs more than property in a cove. Basically, the bigger the water view, the more expensive the property.

Riparian buffer

Property on all three lakes is required to have a 50-foot riparian buffer. The state of North Carolina has strict regulations for this strip of land bordering the lake so that it remains in a forested or vegetated state. These buffers help filter runoff, as well as protect the banks from erosion.

"Buyers need to be made aware of the riparian buffer and the rules affecting its use," said Josh Tucker, managing broker of HM Properties' Lake Norman office. "There are minimal things they can do to this stretch of land. They can't remove trees in the first 30 feet and they can't disturb the landscape."

Real estate agents who do not specialize in lakefront property may not be aware of this regulation.

Docks and boathouses

Many people moving to lakefront property want a dock or boathouse for their watercraft. Duke Energy handles the permitting process for docks. If a house does not already have a dock, the new homeowner should not assume they'd be able to build one.

Only homeowners are allowed to apply for a dock permit, so potential buyers may need the seller to submit an application to make sure building a dock is a possibility before they make the decision to buy.

“On Lake Norman, you can’t have more than 1,000 square feet of coverage on your dock,” said Tucker. “And you need a minimum of 100 feet of shoreline to be considered for a dock.”

And Duke does not allow any new boathouses. “Having a boathouse is a perfect example of the type of hyper-local knowledge buyers need from their agents,” said Brisson-Kuester. “You can’t put a boathouse on most of the region’s lakes, but there are existing boathouses that have been grandfathered in. If a property already has a boathouse, you can’t add onto it or over-improve it. You can only ‘repair’ it. This is important to many people, especially in the deeper parts of the lake where the water is choppy.”

Insurance

Insuring a house on the lake is similar to insuring most other houses. The primary difference occurs when insuring watercraft, particularly when it comes to issues of liability. Some policies don’t cover operation of a personal watercraft, such as a Jet Ski, at night, between dusk and dawn, or if they’ve been modified to enhance speed and performance. Some policies may limit where a boat can be operated or may not cover water skiers.

Coverage of retaining walls on Lake Wylie is also an issue. “Many times, retaining walls are not covered on your homeowner’s policy,” said St. Angelo. “You need a supplemental policy for retaining walls, but even with that, repairs or replacement of the retaining wall may not be covered if the insurance company decides the problem was due to erosion.”

Lake Norman

Lake Norman is the largest and farthest north of the three lakes in the Charlotte area. With 520 miles of shoreline, Lake Norman sits in parts of Mecklenburg, Catawba and Iredell counties. Prices start around the \$2 million mark.

The busiest of the three lakes, Lake Norman has boat traffic seven days a week, 12 months a year. "Buyers looking for privacy or who want a quiet afternoon fishing may want to look on one of the other lakes," said Tucker.

Mountain Island Lake

With only 62 miles of shoreline, Mountain Island Lake is the smallest of the three lakes and resides between Lake Norman and Lake Wylie. It is more secluded and doesn't have the amount of boat traffic seen on Lakes Norman and Wylie. With Mountain Island Lake serving as the primary drinking water supply for close to a million people, conservation areas encompass much of the shoreline. Prices for homes on Mountain Island Lake range between \$400,000 and \$1 million.

"Mountain Island Lake has some strict rules," said St. Angelo, "including for the type of boats allowed on the water."

Lake Wylie

With 325 miles of shoreline, Lake Wylie straddles both North Carolina and South Carolina and combines the features of the other two lakes. It offers the big water of Lake Norman without the large amount of boat traffic or the high prices, and can offer the privacy of Mountain Island Lake.

Home prices on Lake Wylie range from \$500,000 to \$1.9 million.

Choosing a lake

The two biggest factors buyers consider when deciding which lake to choose is their budget and the type of water they want to be near.

"If a buyer's budget is half a million dollars, Mountain Island Lake is their option," said Tucker. "If it's between \$750,000 and \$1.5 million, they could get something very nice on Lake Wylie. But if their budget is \$2 or \$3 million or more, Lake Norman is the go-to spot."

"Water is the other big factor, with buyers choosing property based on knowing what they want to do on the lake water and buying water specifically for that purpose," said Brisson-Kuester. "Some