

HOME

2018 election impacts on Tahoe real estate



Don Kanare & Sabrina Belleci
Special to the Tribune

Weekly real estate update

	Houses	Condos	PUDs
For Sale	107	48	21
Under \$1 million	21	36	8
Median Price For Sale	\$1,975,000	\$624,900	\$1,295,000
YTD Sales 2018	159	170	55
YTD Sales 2017	145	175	48
New Listings	8		
In Escrow	5		
Closed Escrow	13		
Range in Escrow	\$150,000 - \$2,195,000		

These statistics are based on information from the Incline Village Board of Realtors or its Multiple Listing Service as of Nov. 4.

The 2018 election is a big one for the country with national, state and local issues impacting a wide variety of topics all across America.

As of this writing just prior to Election Day, we are awaiting the final results and can only give our opinion as to what may or may not happen depending on the outcome of any particular issue.

One of the most important topics is Measure T, which is directly targeted at the vacation rental market in South Lake Tahoe. This measure only affects property owners on the California side of South Lake Tahoe and does not affect any other communities around the lake.

If Measure T passes it would phase out roughly 1,400 vacation rental properties over the next three years. Owners of a primary residence outside the commercial and tourist core districts would be allowed to rent their property for up to 30 days per year.

The passage of Measure T would eliminate approximately 80 percent of the privately owned vacation rentals in South Lake Tahoe. The impacts of this would have a ripple effect throughout many aspects of the community. But in this article we are only going to address those issues that directly impact the

residential real estate market.

There are other economic, humanistic and social issues that will be affected and we will leave it up to other authors to address those topics.

The greatest beneficiaries if Measure T passes will be the owners of vacation rental properties located in the commercial and tourist core districts along with the hotels and motels at South Lake Tahoe and Stateline.

Essentially it's a simple economic issue of supply and demand. If the demand remains the same (or increases as we've seen over time), the reduction in the supply of rental properties will lead to price increases. Assuming the 1,400 units being eliminated can accommodate on average six people, this means a loss of 8,400 beds from the rental market. The actual number could be higher or lower but it's a pretty dramatic loss of accommodations for the area.

Real estate prices for residential property outside the commercial and tourist cores will likely flatten or decline, while the properties that are able to legally be used as vacation rentals will probably increase.

By reducing the available supply of vacation rental properties the remaining legal units will receive more bookings and increased revenue during the course of the year.

These property owners will also be able to charge a higher nightly rate, thereby pushing up their annual revenues even further. When it comes time to sell the property, they will be able to show better revenue numbers which makes the property even more valuable.

Owners of vacation rental homes in Incline Village, Zephyr Cove, Tahoe City, Kings Beach and other Lake Tahoe communities will likely see a slight uptick in bookings if Measure T passes. If someone wishes to visit Lake Tahoe and there are not enough accommodations at South Shore, then they will likely find another place to stay as opposed to canceling their trip entirely.

There could be an increase in shoulder season visitors, but that depends a great deal on the whims of Mother Nature.

And if Measure T does not pass, then the residents of South Lake Tahoe will have to figure out how to deal with the various unresolved problems caused by any misbehaving vacation renters staying in the community.

Don Kanare is the founder and Sabrina Belleci is the owner and broker of RE/MAX North Lake in Incline Village. You can follow their blog at www.INSIDEINCLINE.COM.



METRO CREATIVE

Asthma is more than occasional wheezing or feeling out of breath during physical activity.

Clean indoor air can help reduce asthma attacks

Metro Creative

Did you know that, according to the U.S. Centers for Disease Control and Prevention, more than 25 million Americans, including roughly 7 million children, have asthma?

It's true, and those numbers have steadily risen in recent years.

Asthma is more than

occasional wheezing or feeling out of breath during physical activity. Asthma is chronic and can lead to coughing, wheezing, shortness of breath, fast breathing, and chest tightness, states the Asthma and Allergy Foundation of America.

In the 21st century, people spend significant time

ASTHMA, 25



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