

# Kiawah Island Property Report

A K I A W A H I S L A N D R E A L E S T A T E P U B L I C A T I O N

2016 Results in Review // AMENDED MARCH 2019 | [kiawahisland.com](http://kiawahisland.com) | 800.277.7008

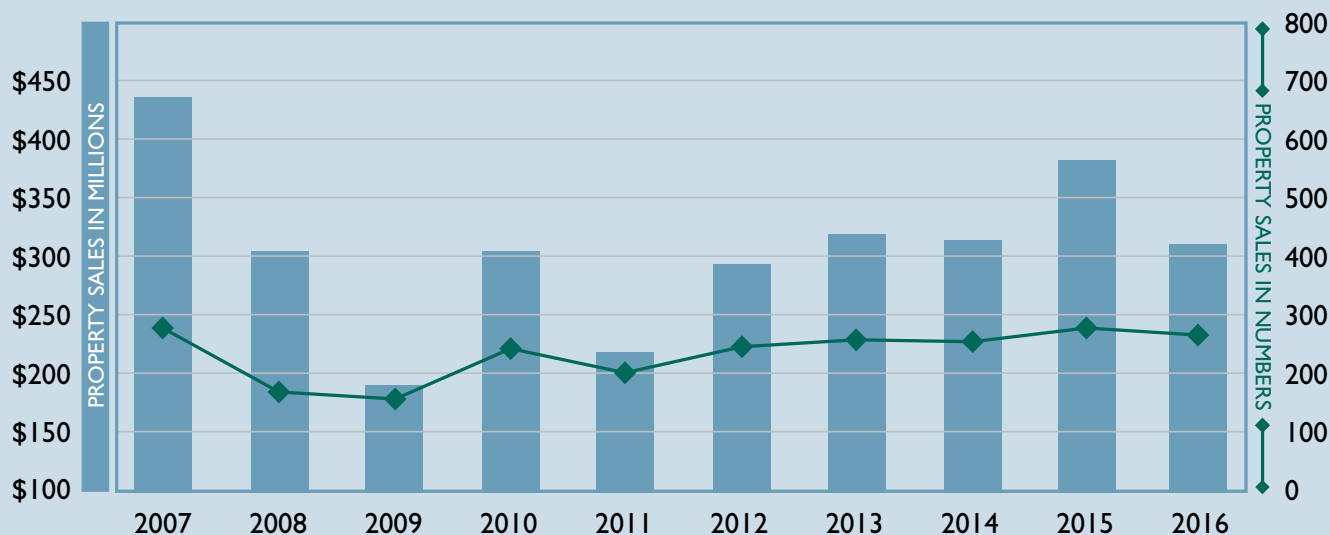
Real estate sales (closed transactions) on Kiawah Island were once again solid in 2016. As you can see from the chart below, total closed transactions dropped slightly (from 287 in 2015 to 278 last year—detailed numbers can be found on page 3). Dollar volume dropped a bit more, largely driven by the mix of properties that sold, as well as by a few very high end oceanfront sales in 2015.

Given the economic and political travails of 2016, these results are very positive—and there were segments of property types that saw exceptional sales results in 2016. But Kiawah Island is not immune from national and international markets, as we all witnessed from 2008-2011. According to a [CNBC.com](http://CNBC.com) report in January, 2017, “research from Redfin found that luxury properties nationwide under-performed the broader housing market for the eighth consecutive quarter. The supply of homes priced at \$1 million or more rose 1 percent in the fourth quarter, while the number of \$5 million-plus homes was up 15 percent.”

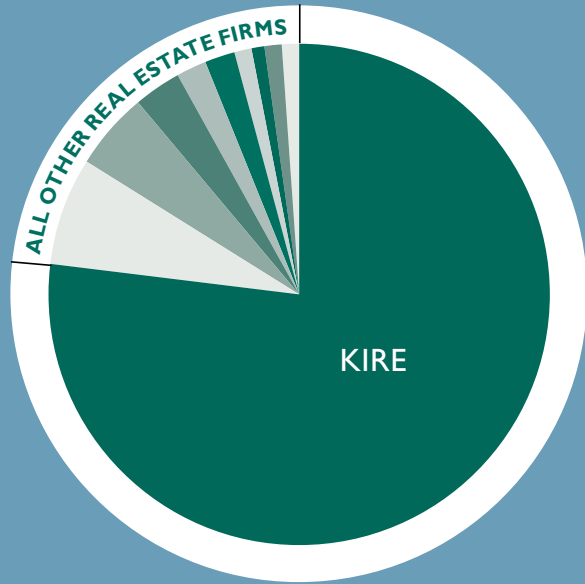
But a post-election [Wall Street Journal](http://WallStreetJournal) article saw positives: *Real estate experts in London said Americans can expect some economic and financial uncertainty similar to the chaos felt directly after the British vote to exit the European Union in June. But they differed over how a Trump presidency might affect luxury real estate markets in the long term, as Mr. Trump could improve trade with Britons while alienating other foreign investors. Trump’s win “will bring a property industry leader into the White House for the first time in American history. Without a doubt a Trump presidency will be pro-property and pro-real estate,” said Peter Wetherell, a leading London real estate broker.*

Kiawah Partners continues to invest in the community and in bringing buyers to Kiawah Island, and 2016 was a year where their strategic marketing efforts paid dividends. Improved search functionality on [KiawahIsland.com](http://KiawahIsland.com) helped Kiawah Island Real Estate close 6% more resale/brokerage properties in 2016 vs. 2015, while both the number of buyers and the listed properties sold by all other real estate firms doing business on the Island fell by as much as 19%.

10 YEAR SALES TRENDS ON KIAWAH ISLAND (ALL PROPERTY CLOSINGS)



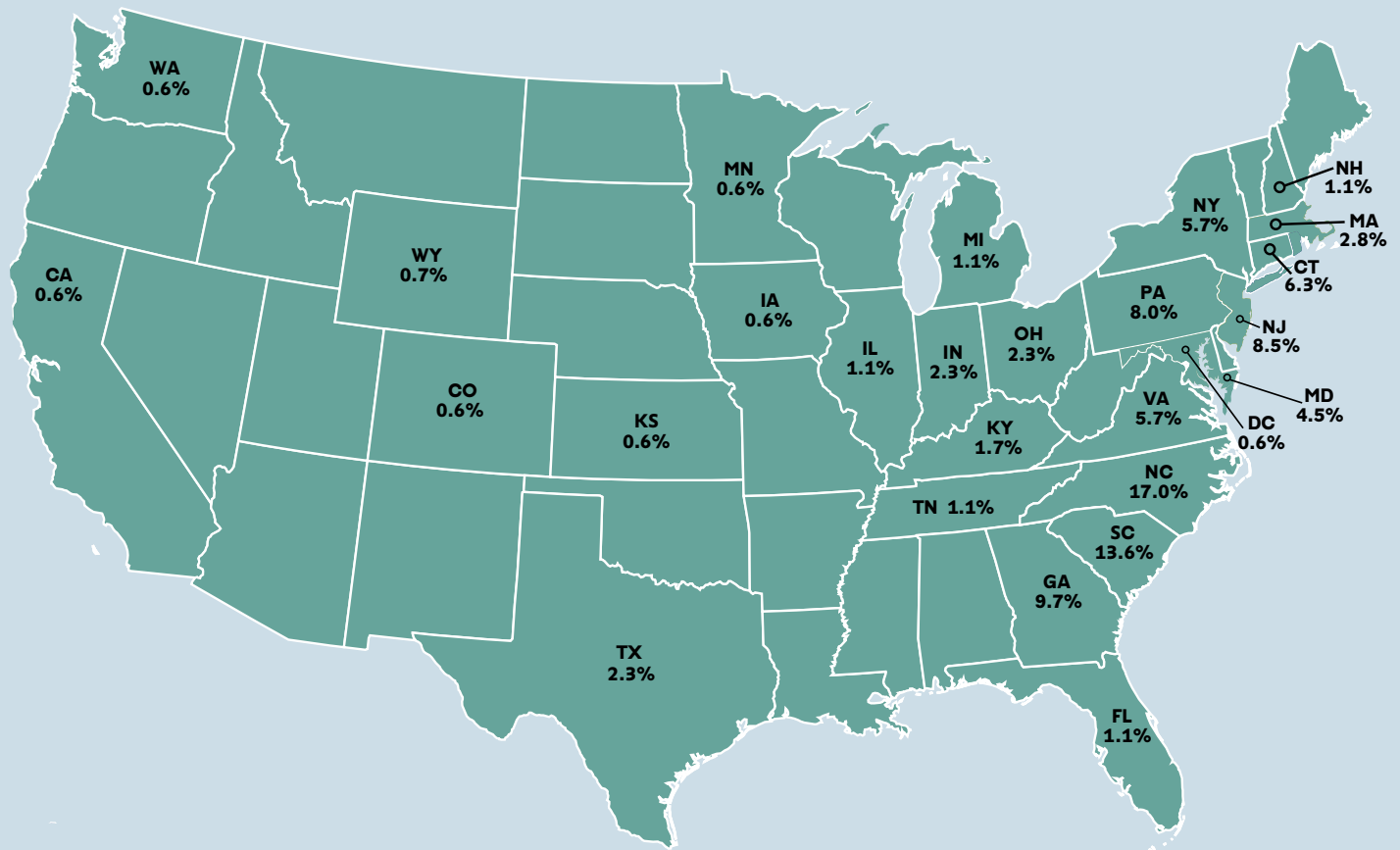
## ALL KIAWAH BUYERS YEAR-END - 2016



## WHERE DID KIAWAH ISLAND BUYERS COME FROM?

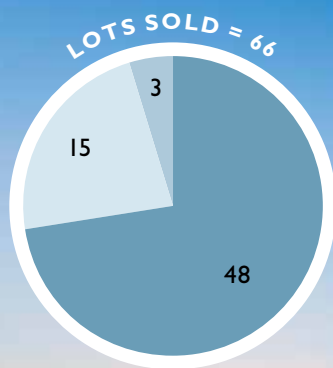
Related to the strong increase in the Villa and Cottage sales, the share of buyers from neighboring states (“drive markets”) increased. Key among them was Georgia, which jumped from 6% of first-time Kiawah buyers in 2015 to nearly 10% in 2016. Overall, Kiawah buyers came from our typical feeder states (see the graphic below), with North Carolina leading the way, followed closely by the New York metro area (NYC and surrounding counties in NY, CT and NJ), with mid-Atlantic states like Pennsylvania and Virginia each bringing 6%-8% of Kiawah’s new buyers annually. One anomaly—the state of Illinois, which has traditionally been a very strong source of Kiawah buyers, dropped from 7.5% of buyers in 2015 to just 1.1% in 2016.

## KIAWAH BUYERS BY STATE IN 2016

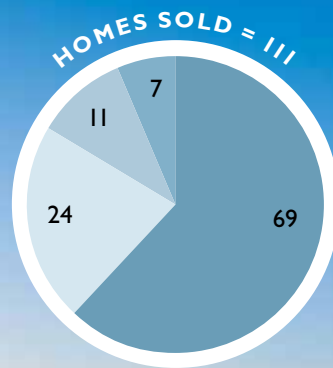


## 2016 Island-Wide Sales Results

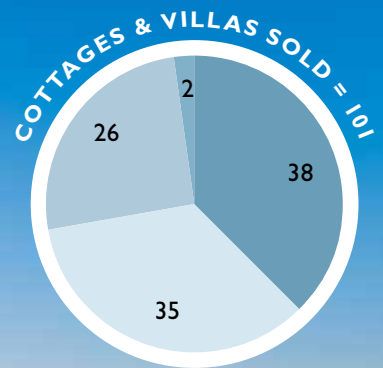
		2014	2015	2016
ALL TRANSACTIONS	Properties Sold (closed)	273	287	278
	Dollar Volume	\$311,277,050	\$362,307,162	\$312,211,839
HOMES	Properties Sold (closed)	102	132	111
	Dollar Volume	\$181,181,100	\$263,869,391	213,008,596
	Median Sales Price	\$1,257,500	\$1,377,500	\$1,250,000
VILLAS AND COTTAGES	Properties Sold (closed)	80	83	101
	Dollar Volume	\$40,812,699	\$38,482,554	52,538,843
	Median Sales Price	\$440,000	\$410,000	\$450,000
LOTS	Properties Sold (closed)	91	72	66
	Dollar Volume	\$89,283,250	\$59,955,217	46,664,400
	Median Sales Price	\$575,000	\$497,500	\$455,000



■ <\$1 Million    ■ >\$2 Million  
■ \$1-2 Million



■ <\$1.5 Million    ■ \$2.5-5.0 Million  
■ \$1.5-2.5 Million    ■ >\$5.0 Million



■ 4 Bedroom    ■ 2 Bedroom  
■ 3 Bedroom    ■ 1 Bedroom

Sales results on Kiawah Island in 2016 were once again mixed, but there were a number of positive trends and signs that came out of 2016's sales results.

The most obvious difference from 2015 to 2016 is the significant increase in sales of Villas and Cottages. Transactions were up by more than 20%, and the median price of those closed was 10% higher than the median in 2015.

The strong increase in Villas and Cottages was countered

by a drop in homesite sales. With Kiawah celebrating its 40th anniversary in 2016, the number of remaining homesites has begun to decline—as a result the Kiawah ARB has seen strong construction activity on-Island (with more than 50 New Home Construction permits in each of the last three years). Those factors have contributed to a clear, 3-year trend: whereby homesite sales declined from 91 in 2014, to 72 in 2015, and 66 in 2016.

## PRESIDENT'S NOTE

In any healthy real estate market, a percentage of properties in a community will come to the market for sale in a given year. One industry benchmark for destination communities is that about 8-10% will come up for sale annually (note: this 1-in-10 ratio is lower than what you will find in most traditional neighborhoods, where, with the average tenure in a home of about 7 years, it is typical for 15% of the homes to be put up for sale).

So, the 443 properties that came on the market in 2016 (following similar totals in 2015 and 2014) are a natural reflection of a healthy market. And as you can see from the chart below, owners don't list their properties at a consistent pace over the course of the year. More properties come on the market on Kiawah in the early months of the year, in order to take advantage of the visitor traffic that begins in earnest around Easter. The inventory of

properties for sale in the first quarter is the most dynamic, which is why property views on real estate websites that specialize in destination real estate also see peak traffic in the beginning of the year. In the first part of last year, KiawahIsland.com's exclusive property search yielded an average of over 2,000 property views a day of Kiawah Island Real Estate listings.

As has been the case throughout its history, in 2016 Kiawah Island Real Estate generated at least 10x the Kiawah buyers as the next highest real estate firm. We are excited to welcome more buyers to the Island again in 2017!

*Chris Drury*  
 ~ Chris Drury, President  
 Kiawah Island Real Estate

KIAWAH YEAR-END INVENTORY		
year	# units	total
2010	585	\$790,677,047
2011	543	\$725,391,992
2012	546	\$736,427,048
2013	523	\$667,281,235
2014	502	\$633,819,150
2015	507	\$661,627,727
2016	476	\$653,392,498

NEW KIAWAH ISLAND LISTINGS BY MONTH, 2016

