First Quarter Island-Wide Sales

Driven by the strong demand for the Island’s diverse range of homes, the dollar volume of real estate sales on Kiawah achieved a level not seen in over a decade, as this was the best first quarter of sales since 2008. Real estate closings exceeded $65 million in the first three months of 2018, an increase of 16% over a strong first quarter of a year ago.

The strong sales results for homes was largely responsible for this surge. Meanwhile, sales of cottages and villas declined in the first quarter in 2018 by 25% versus the same period last year—which was an exceptionally strong quarter. Lower inventory and strong demand for this segment, however, helped to push the median price of those 2018 sales up by 10% over 2017.

BROADER MARKET TRENDS

To gain a broader understanding of the sales results on the island, Kiawah Island Real Estate also evaluates sales results in markets similar to Kiawah, as well as tracking real estate trends in regions where Kiawah’s buyers have historically originated.

(continued)
Nantucket, which has become a competitor for Kiawah Island, saw its highest ever first-quarter sales dollar level, with single family homes driving the results. Also, per a report by real estate sales and research firm Douglas Elliman, luxury sales in The Hamptons (another luxury second-home “comp” for Kiawah) saw a boost in the first quarter of 2018.

Real estate sales activity in key “feeder markets” for Kiawah were mixed. Sales in Manhattan plunged 25% in the first quarter from a year ago, their largest drop in nearly a decade, and reached their lowest level in more than six years, according to a report from the firms Douglas Elliman and Miller Samuel. Jonathan Miller, president of Miller Samuel, said the uncertainty over the new federal tax law—which prevents residents in high-tax states like New York from deducting their state and local taxes—weighed on the market.

Greenwich, CT saw a moderate increase in sales of homes over $1 million, with the median sales price for single-family homes up 8.3% year-over-year to $2.205 million, while the median sales price for condos fell 4.3% annually to $718,438, according to Mansion Global. Perhaps not coincidentally, the Town of Greenwich has the lowest property tax rates in the New York metro area, according to that same report.

Overall uncertainty, however, has subdued some of the impact these broad economic positives’ have had on real estate sales, particularly with the more discretionary vacation-oriented properties. “All the whiplash we’ve been going through makes the high-end buyer pull back,” said Judi Desiderio, chief executive of Town & Country Real Estate in East Hampton. “We’re a luxury item.” Affluent families “are going to pull back a bit to wait and see how much of a positive effect the tax law has on them, and if it offsets the negative.”

Nationally, a strong economy and real estate trends bode well for continued strength in Kiawah’s real estate market.

The available for-sale inventory is a key factor in understanding a real estate market’s health and its trends. As the chart reflects, the Island-wide total inventory has experienced less than an 8% fluctuation over the past seven years. It is interesting to note that within certain segments it has changed more significantly. For example, the villa and cottage inventory has declined 33% since it peaked in 2013, while the number of homes for sale has increased 19% since 2012.
NOTABLE SALES ON KIAWAH ISLAND

During the first 3 months of the year, Kiawah Island Real Estate sold 8 new listings within 23 days of coming to the market.

**SOLD WITHIN 7 DAYS**

PRICE: $8,500,000 (100% of list price)

**39 EUGENIA AVENUE**

- View: Ocean Front
- Square feet: 7,355
- Bedrooms: 4
- Baths: 4 half baths: 2

This oceanfront home, featuring 115 feet of ocean frontage, sold in just a week. Kiawah Island Real Estate was able to get the owners 100% of the asking price of $8,500,000.

**SOLD WITHIN 16 DAYS**

PRICE: $1,550,000 (91% of list price)

**602 PIPING PLOVER**

- View: Golf / Lagoon
- Square feet: 3,610
- Bedrooms: 4
- Baths: 3 half baths: 1

Situated overlooking the no. 12 fairway of Osprey Point golf course, this home was meticulously renovated with an enlarged master suite and a spacious sunroom.

**SOLD WITHIN 40 DAYS**

PRICE: $275,000 (98% of list price)

**4722 TENNIS CLUB WAY**

- View: Lagoon
- Square feet: 886
- Bedrooms: 1
- Baths: 1

This A-rated Tennis Club Villa had been recently renovated to open up the living space to the kitchen and dining area.

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**KIAWAH ISLAND NEW HOME CONSTRUCTION**

There are currently 119 homes under construction on Kiawah Island and Cassique. New home permits have previously averaged 58 per year since 2013 versus 29 per year between 2009 and 2013.

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**DID YOU KNOW:** Kiawah Island Real Estate sells properties more quickly and for a higher price.
**PRESIDENT'S NOTE**

These are exciting times for Kiawah. We have just experienced the best first quarter in sales volume in ten years and Kiawah Island Real Estate led the way with 85% of the market share.

Kiawah Island Golf Resort recently announced plans for an extensive and impressive amenity improvement program. For a community with the maturity of Kiawah, to have this kind of massive investment, is unparalleled. There is no doubt the addition of a new Cougar Point clubhouse, new hotel and conference center in West Beach, upgrades to Night Heron Park and the Roy Barth Tennis Center, and the addition of The Sanctuary Chapel, will undoubtedly have a positive impact on real estate in the coming years. Add to this the continued global recognition Charleston receives and the upcoming 2021 PGA Championship, and we have a formula for continued success for our Island.

Our team of experts is available seven days a week, and unlike other agents, our team focuses only on finding buyers for Kiawah Island properties. I hope you will reach out to us if you have any questions, or if we can be of any service.

Warmest Regards,

~ Chris Drury, President

Kiawah Island Real Estate