

## Buyers, sellers and real estate agents adjust to new Hilton Head area housing market

BY MARY DIMITROV

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The Hilton Head and Beaufort area housing markets have always been unique. With recent numbers, they're distinguishing themselves a little bit more.

The South Carolina housing market had the fewest home sales in a third quarter since 2017, new data shows, but for the Hilton Head and Beaufort areas, it's a slightly different story.

Both areas were the only segments of the South Carolina housing market that saw increases in home sales this quarter compared to last year's quarter, according to the South Carolina Realtor's reports. However, overall year-to-date sales are still down.

Buyers, sellers and real estate agents are having to adjust to a new market that isn't as hot as it was during COVID, but is still warmer than the rest of South Carolina and most of the United States. It means sellers and their agents need to think through how they price and market their home differently, because it's not as easy to sell compared to a year ago. It also means buyers and their agents are considering what they're willing to purchase and how more carefully than during the pandemic boom.

Real estate experts attribute the numbers to high interest rates and low inventory, though inventory is rising slightly.

"People like what they own and they're hanging on to it," Realtor Chip Collins at Collins Group Realty said. "They're anchored by these low interest rates compared to what they are now."

Prices are climbing, but sellers are coming down from their listing prices more often than months past, according to the experts. Buyers are also now more wary about condition issues and properties that need a lot of renovating or updating.

"They're not going to settle like they did during the COVID market," Collins said.

The market has shifted from during the pandemic, when buyers were willing to buy almost anything, according to Collins. In 2022, sellers were getting nearly 100% of their listing price, and now they're only getting about 98%, according to market reports. However, Collins says when you compare sales price to original listing price, it's more like 96%. When it comes to homes in the hundreds of thousands or millions of dollars, those extra couple percentage points can mean a lot.

"(It's) the exact opposite of what it was last year," said Realtor [Peter Geary](#) at [Sea Pines Real Estate's Harbour Town Cottage Group](#).



Between higher mortgage rates and climbing prices, Geary said that Realtors are having to work harder to sell homes and he's seen new incentives from sellers pop up in the market in recent months, like seller financing, where the seller of a property will offer a loan at a lower rate than current market rates. He's also seen sellers offer redecorating stipends to buyers at closing, selling real estate agents give buyer's agents higher commissions and cash incentives for agents if they sell a property in a certain amount of time.

Here are the numbers, according to the South Carolina Realtor's market reports:

### **THIRD QUARTER**

This compares third quarter sales, sales in July, August and September, this year to third quarter sales last year.

#### **Sales**

The Hilton Head area had 5.5% more home sales in the third quarter, year-over-year. It went from 1,444 homes last year to 1,524 homes this year. The Beaufort area housing market had 6.5% more. It went from 720 homes last year to 767 homes this year.

#### **Home Prices**

Hilton Head area median prices went up 11.3% from \$458,263 to \$510,000. Beaufort area median prices went up 6.3% from \$375,000 to \$398,517.

#### **Average Days on Market Until Sale**

Hilton Head area homes stayed on the market 34.8% longer from 112 days last year to 151 days this year. Beaufort area homes stayed on the market for 28.4% longer from 74 days last year to 95 days this year.

### **YEAR-TO-DATE**

This compares sales from the beginning of the year through September this year to the same time period last year.

#### **Sales**

The Hilton Head area had 8% less home sales. It went from 4,576 last year to 4,208 this year. The Beaufort area had 3.8% less home sales. It went from 2,260 last year to 2,174 this year.

#### **Home Prices**

Hilton Head area median prices went up 8.1% from \$471,665 last year to \$509,900 this year. Beaufort area median prices went up 9% from \$365,000 last year to \$398,000 this year.

#### **Average Days on Market Until Sale**



Hilton Head area homes stayed on the market for 43.7% longer from 103 days last year to 148 days this year. Beaufort area homes stayed on the market for 31.1% longer from 74 days last year to 97 days this year.

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