

Hilton Head real estate market cools in winter. See how much prices decline in the off-season

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In the Hilton Head area, cooling winter weather can also mean a cooling real estate market. Residential home, condo and villa sales tend to decline during the winter months, rise in March, and peak during May and June, according to market reports based on REsides Multiple Listing Service data. “[The Hilton Head area data] includes anything sold through the Hilton Head MLS north and south of the Broad River,” Hilton Head Area Realtors CEO Jean Beck said. “The largest part is Hilton Head, Bluffton, Daufuskie and Hardeeville.” This trend is consistent with the Hilton Head area real estate market prior to when the COVID-19 pandemic impacted the market in 2020 and 2021.

Hilton Head returned to the trend this year with residential homes, condos and villas sales peaking in June with 593 sales, according to the data. Since then, sales steadily declined each month to 446 in October. Prices are higher when there is more demand. In June, when sales were the highest, the median price of residential homes, condos and villas was \$514,846. The price was about \$19,000 less in October, the month with the lowest sales so far this year.



Photo illustration Drew Martin, GK Hart, Vicky Hart The Island Packet, Getty Images





“During the COVID market we were busy throughout the whole thing so we can’t really count that two year period because it was just crazy the whole time,” Hilton Head Realtor Tristan O’Grady said. “Typically, if you bought a house on the market in January, it’s going to be slower than when there’s a lot more people here.” Hilton Head’s year-round population is about 40,000, but during the summer vacation season it can swell up to 150,000, according to the Town of Hilton Head 2022 budget. In many other markets, buyers with school-aged children might not want to move in the middle of the school year. In Hilton Head many buyers are retiring, without children, or purchasing second homes that they don’t need to uproot their lives to move in to. This creates a unique seasonality, according to Hilton Head Realtor Peter Geary.

“In the Northeast the selling season starts in May, and people need to sell their houses in May [or] June to get kids into the new schools by July [or] August,” he said. “Down here its different. You want to get into the house before the summer season starts and get use of the house or use of the rental during the summer. You have to do that before May.” The selling season in Hilton Head starts before May even though the amount of sold houses peaks then, according Geary. He said this is because for homes counted as sold in May, the closing process has already been going on for 30 to 40 days. As buyers enter the winter months, they can use the slowed down market to their advantage even though they’ll have less properties to choose from, according to O’Grady. “The amount of traffic on the Island is also going to reflect the amount of showings,” he said, explaining there are less showings in the winter. “[The seller is] going to feel more motivated to negotiate just based on the lack of enthusiasm with the amount of showings.”

