

Annual Report on the South Carolina Housing Market

FOR RESIDENTIAL REAL ESTATE ACTIVITY FROM THE STATE OF SOUTH CAROLINA



2017

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There is an ongoing and undeniable national housing shortage. Year-over-year inventory levels have been down in most markets for several years now, and that trend is expected to persist in 2018. Consumers are still purchasing for the first time and relocating to other, presumably more ideal homes.

Having the financial ability to make a move clearly seems feasible to many eager buyers amidst a healthy economy, whether life events such as marriage, children, employment change or desirable downsizing is the reason for moving.

There are further positive signs on the horizon, as builder confidence has improved and construction job gains are measurably higher. It will still take more effort than a lone year can provide for building activity to reach a needed level for inventory balance, but a step in the right direction is welcome.

More sellers should feel ready and willing to list in 2018. Economic indicators such as unemployment rates and consumer confidence are in an improved state, and sellers currently hold the keys in the buyer-seller relationship. This does not mean that sellers can set their price and watch the offers roll in. On the contrary, buyers will be poised to test prevailing price points, particularly in markets where home price increases are outpacing wage growth and in light of the fact that mortgage rates are expected to increase further in 2018.

Sales: Pending sales increased 4.8 percent, landing at 85,753 to close out the year. Closed sales were up 4.5 percent to finish 2017 at 83,570.

Listings: Year-over-year, the number of homes available for sale was lower by 4.6 percent. There were 28,933 active listings at the end of 2017. New listings increased by 4.5 percent to finish the year at 114,266. Home supply was once again lower than desired in 2017.

Bedroom Count: Increases in sales prices occurred across homes of all sizes over the last year. In 2017, properties with 2 bedrooms or fewer saw the largest growth at 7.6 percent. The highest percent of original list price received at sale went to properties with 4 bedrooms or more at 97.6 percent.

Prices: Home prices were up compared to last year. The overall median sales price increased 5.1 percent to \$189,250 for the year. Prices are expected to rise at a slow rate in 2018. Single Family home prices were up 5.3 percent compared to last year, and Condo home prices were up 5.0 percent.

List Price Received: Sellers received, on average, 97.1 percent of their original list price at sale, a mild year-over-year improvement of 0.2 percent. As sales prices are expected to increase further in 2018, this may bring original list price received at sale up as well.

The historic tax reforms due to make their mark in 2018 will have varying effects across the nation. High-priced coastal markets may feel the changes stronger than the middle of the country. And some potential buyers may see the changes as providing less of an investment benefit for homeowners.

Some observers warn that there might be enough lack of incentives to stifle homeownership, which is already near 50-year lows. Policymakers claim that the reforms will help boost economic activity and profitability. Whichever direction we ultimately turn, the next year appears to offer a dalliance with balance intended to intrigue both sides of the transaction toward a common middle ground.

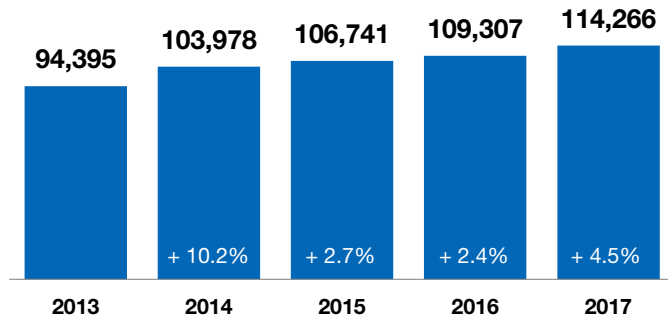
For those who have their minds made up to buy a home in 2018, it will likely be a competitive ride. The trend has widely been toward fewer days on market and fewer months of supply, indicating strong demand despite higher prices and low inventory. This could prove tricky for first-time home buyers, especially for those who are impacted by student loan debt, content to rent or among the more than 15 percent of adult children still living at home. In a landscape rife with new variables, residential real estate is certainly poised to offer an interesting and active year ahead.

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Quick Facts

New Listings



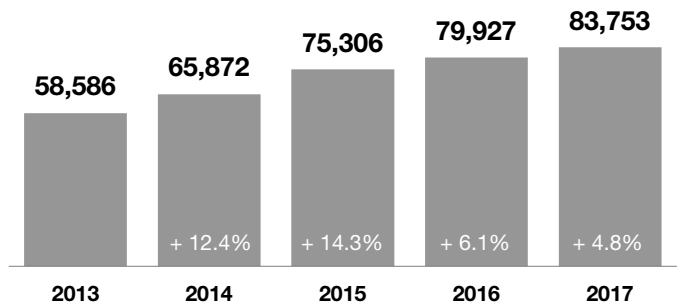
Top 5 Areas: Change in New Listings from 2016

Beaufort	+ 11.2%
CMLS	+ 9.9%
Coastal Carolinas	+ 7.5%
Hilton Head	+ 7.5%
Greater Greenville	+ 6.3%

Bottom 5 Areas: Change in New Listings from 2016

Sumter	+ 0.1%
North Augusta	- 1.1%
Greenwood	- 6.6%
Cherokee	- 9.9%
Piedmont	- 24.2%

Pending Sales



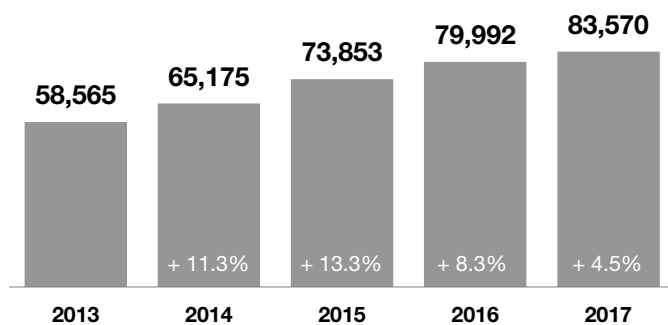
Top 5 Areas: Change in Pending Sales from 2016

Southern Midlands	+ 24.7%
Coastal Carolinas	+ 13.5%
Hilton Head	+ 13.5%
Sumter	+ 11.5%
Aiken	+ 10.2%

Bottom 5 Areas: Change in Pending Sales from 2016

Pee Dee	- 0.1%
Greater Greenville	- 0.4%
Beaufort	- 1.8%
Cherokee	- 11.5%
Piedmont	- 31.2%

Closed Sales



Top 5 Areas: Change in Closed Sales from 2016

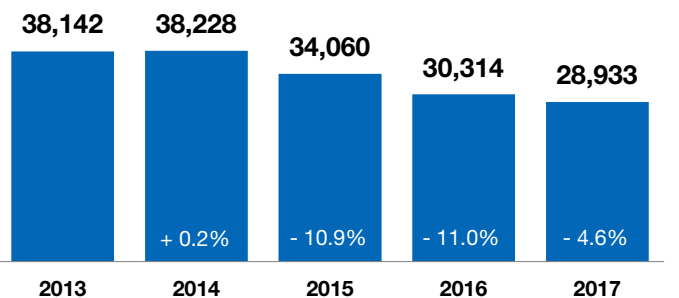
Coastal Carolinas	+ 12.4%
Hilton Head	+ 12.4%
Southern Midlands	+ 10.8%
Pee Dee	+ 10.3%
Sumter	+ 9.0%

Bottom 5 Areas: Change in Closed Sales from 2016

Charleston Trident	+ 3.1%
North Augusta	+ 2.1%
Beaufort	- 4.1%
Cherokee	- 15.6%
Piedmont	- 29.4%

Inventory of Homes for Sale

At the end of the year.



Top 5 Areas: Change in Homes for Sale from 2016

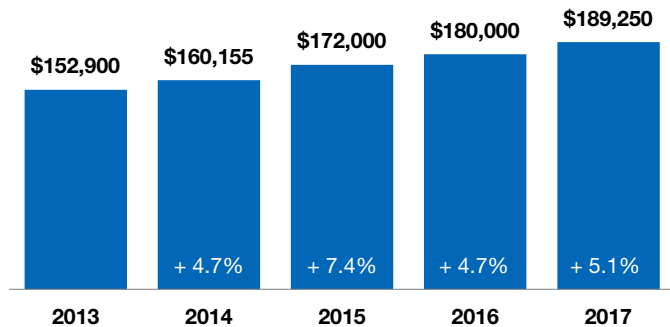
Sumter	- 4.9%
Charleston Trident	- 5.4%
Greenwood	- 6.6%
Coastal Carolinas	- 6.8%
Hilton Head	- 6.8%

Bottom 5 Areas: Change in Homes for Sale from 2016

Western Upstate	- 16.4%
Spartanburg	- 19.5%
Cherokee	- 21.3%
Piedmont	- 27.2%
Beaufort	- 32.1%

Quick Facts

Median Sales Price



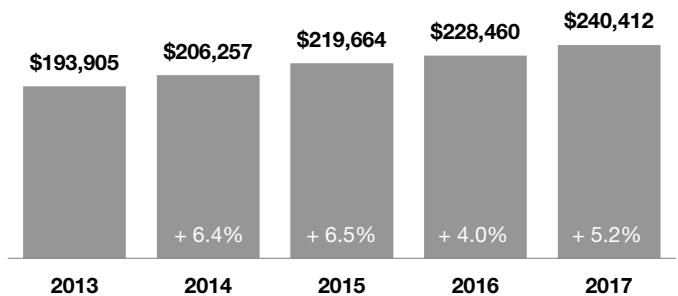
Top 5 Areas: Change in Median Sales Price from 2016

Southern Midlands	+ 13.1%
Cherokee	+ 11.8%
Western Upstate	+ 9.3%
Beaufort	+ 8.8%
Spartanburg	+ 6.9%

Bottom 5 Areas: Change in Median Sales Price from 2016

Coastal Carolinas	+ 4.3%
North Augusta	+ 3.0%
Pee Dee	+ 0.7%
CMLS	+ 0.3%
Greenwood	- 0.7%

Average Sales Price



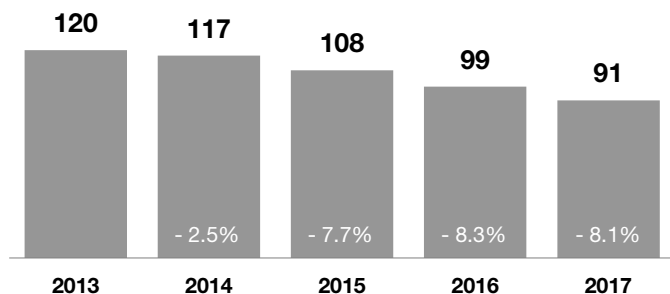
Top 5 Areas: Change in Avg. Sales Price from 2016

Beaufort	+ 12.7%
Western Upstate	+ 10.8%
Greater Greenville	+ 6.8%
Spartanburg	+ 6.5%
Charleston Trident	+ 6.1%

Bottom 5 Areas: Change in Avg. Sales Price from 2016

Aiken	+ 3.8%
Cherokee	+ 3.0%
Pee Dee	+ 1.7%
CMLS	+ 1.0%
Greenwood	- 0.1%

Days on Market Until Sale



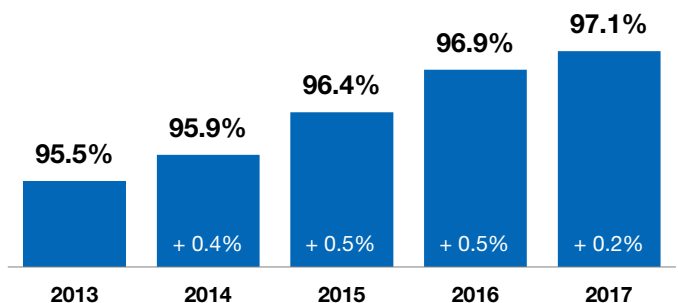
Top 5 Areas: Change in Days on Market from 2016

Southern Midlands	- 2.9%
Pee Dee	- 3.4%
Charleston Trident	- 5.2%
North Augusta	- 5.2%
Sumter	- 6.5%

Bottom 5 Areas: Change in Days on Market from 2016

Greater Greenville	- 13.1%
Greenwood	- 14.1%
CMLS	- 15.7%
Western Upstate	- 20.5%
Cherokee	- 29.1%

Percent of List Price Received



Top 5 Areas: Change in Pct. of List Price Received from 2016

Southern Midlands	+ 0.9%
Western Upstate	+ 0.7%
Greenwood	+ 0.6%
Sumter	+ 0.6%
Cherokee	+ 0.4%

Bottom 5 Areas: Change in Pct. of List Price Received from 2016

Coastal Carolinas	+ 0.2%
Beaufort	+ 0.1%
Aiken	0.0%
Pee Dee	0.0%
Charleston Trident	0.0%

Property Type Review

88

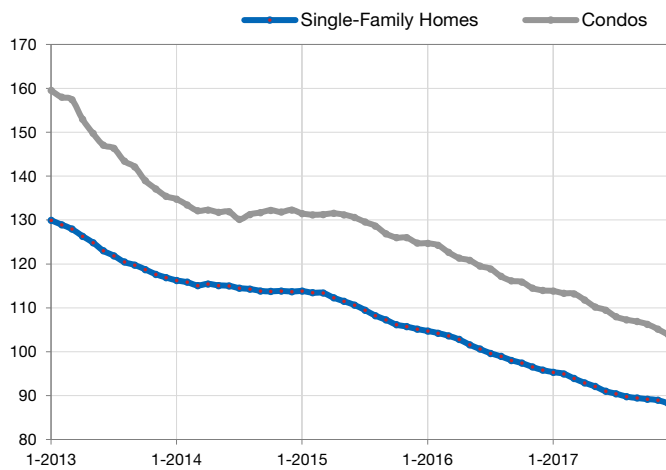
Average Days on Market
Single-Family Homes

104

Average Days on Market
Condos

Days on Market Until Sale

This chart uses a rolling 12-month average for each data point.



Top Areas: Condos Market Share in 2017

Coastal Carolinas	40.5%
Hilton Head	40.5%
Charleston Trident	18.5%
Beaufort	11.4%
Piedmont	10.5%
Greater Greenville	7.8%
Greenwood	7.4%
Western Upstate	7.4%
CMLS	6.9%
Aiken	5.9%
Pee Dee	5.3%
North Augusta	4.7%
Southern Midlands	3.7%
Spartanburg	3.2%
Sumter	1.0%

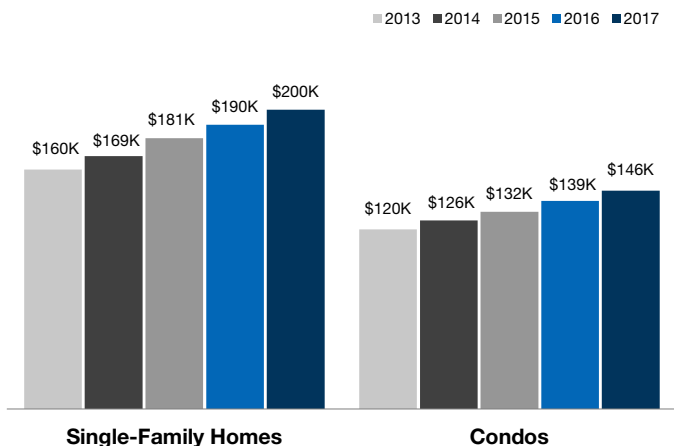
+ 5.3%

One-Year Change in Price
Single-Family Homes

+ 5.0%

One-Year Change in Price
Condos

Median Sales Price



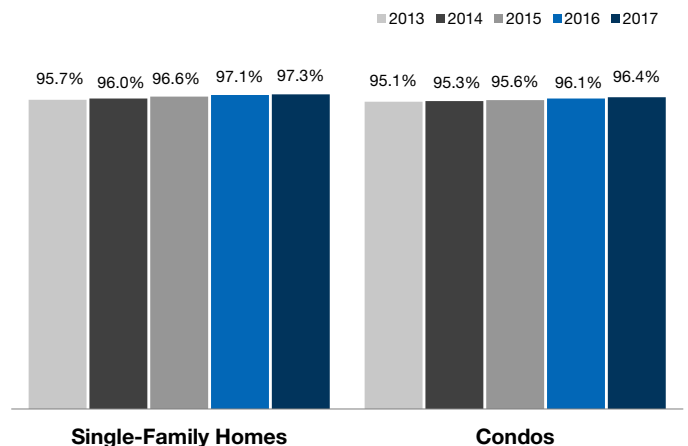
97.3%

Pct. of List Price Received
Single-Family Homes

96.4%

Pct. of List Price Received
Condos

Percent of List Price Received



Bedroom Count Review

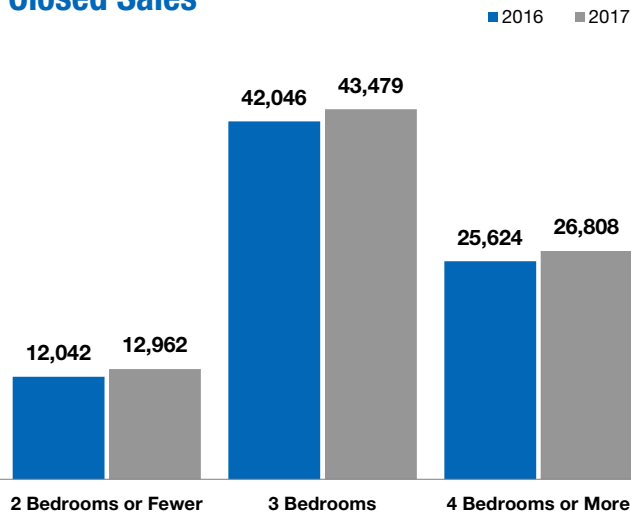
+ 7.6%

Growth in Closed Sales
2 Bedrooms or Fewer

+ 4.6%

Growth in Closed Sales
4 Bedrooms or More

Closed Sales



Top Areas: 4 Bedrooms or More Market Share in 2017

North Augusta	47.8%
CMLS	39.8%
Charleston Trident	37.4%
Sumter	36.8%
Aiken	36.4%
Greater Greenville	36.4%
Pee Dee	30.7%
Western Upstate	30.4%
Spartanburg	29.3%
Piedmont	29.3%
Beaufort	26.4%
Southern Midlands	25.6%
Greenwood	23.3%
Coastal Carolinas	19.0%
Hilton Head	19.0%

97.1%

Percent of List Price Received
in 2017 for
All Properties

95.4%

Percent of List Price Received
in 2017 for
2 Bedrooms or Fewer

97.4%

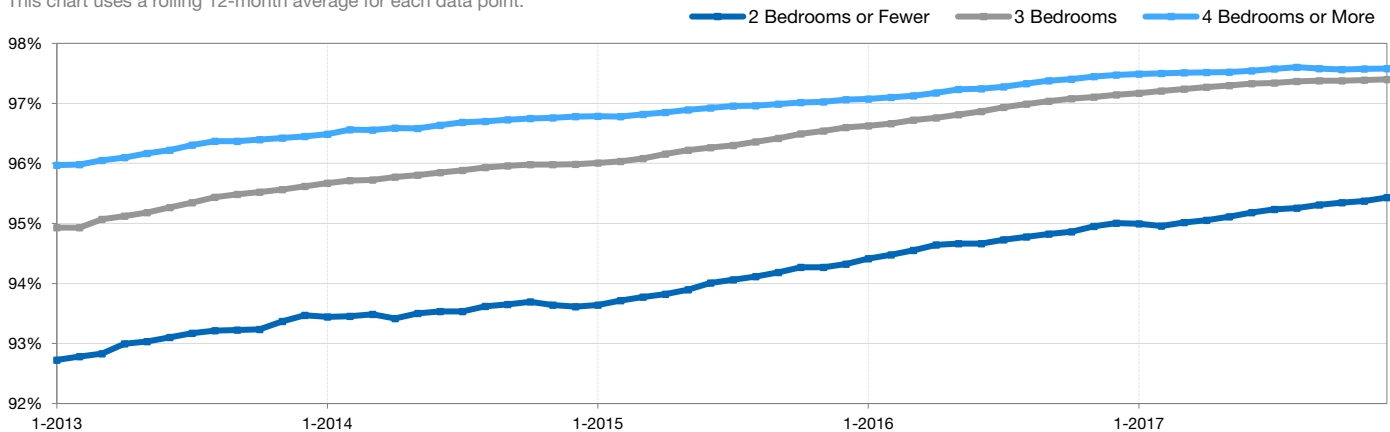
Percent of List Price Received
in 2017 for
3 Bedrooms

97.6%

Percent of List Price Received
in 2017 for
4 Bedrooms or More

Percent of List Price Received

This chart uses a rolling 12-month average for each data point.



Price Range Review

\$150,001 to \$200,000

Price Range with Shortest Average Market Time

\$300,001 and Above

Price Range with Longest Average Market Time

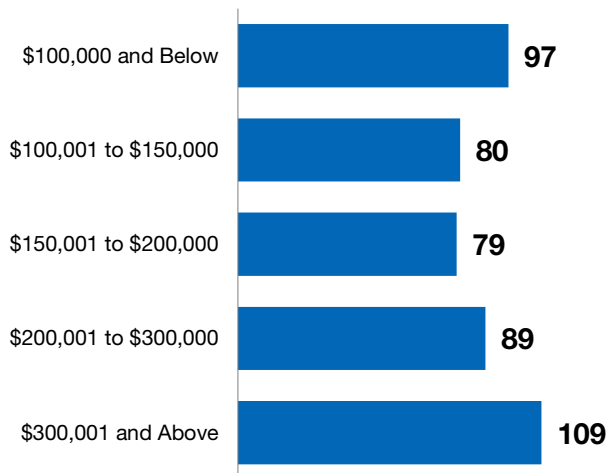
12.0%

of Homes for Sale at Year End Priced \$100,000 and Below

- 29.3%

One-Year Change in Homes for Sale Priced \$100,000 and Below

Days on Market Until Sale by Price Range



Share of Homes for Sale Priced at \$100,000 and Below



\$200,001 to \$300,000

Price Range with the Most Closed Sales

+ 14.0%

Growth for Price Range with Strongest 1-Year Change in Sales: \$300,001 and Above

\$100,000 and Below

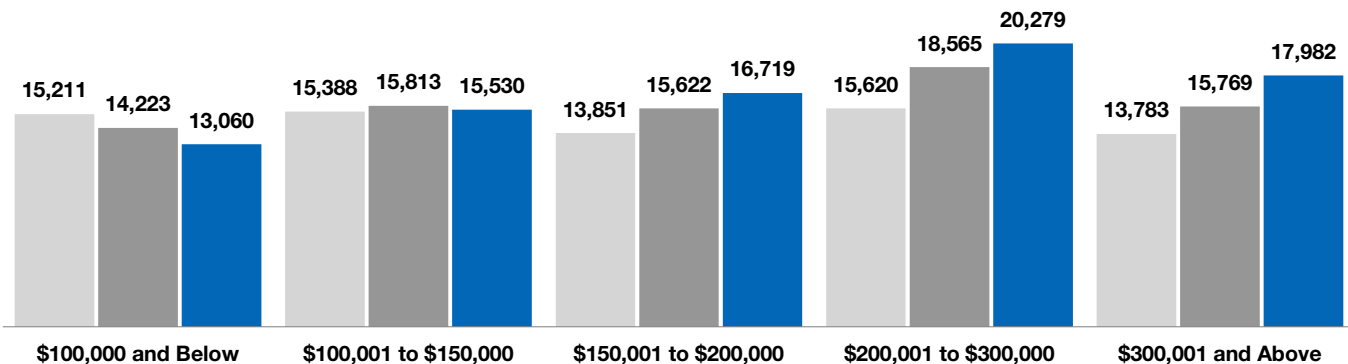
Price Range with the Fewest Closed Sales

- 8.2%

Growth for Price Range with Weakest 1-Year Change in Sales: \$100,000 and Below

Closed Sales by Price Range

■ 2015 ■ 2016 ■ 2017



Area Overviews

	Total Closed Sales	Change from 2016	Percent Condos	Percent 2 Beds or Fewer	Percent \$100K or Less	Days on Market	Pct. of List Price Received
Aiken	2,323	+ 7.1%	5.9%	12.3%	21.8%	153	96.4%
Beaufort	2,136	- 4.1%	11.4%	14.2%	19.9%	82	97.0%
Charleston Trident	18,387	+ 3.1%	18.5%	13.3%	5.7%	55	98.0%
Cherokee	417	- 15.6%	0.2%	13.7%	47.2%	90	96.5%
Greater Columbia	12,780	+ 4.7%	6.9%	10.0%	18.5%	70	97.1%
Coastal Carolinas	14,214	+ 12.4%	40.5%	26.5%	17.5%	140	96.6%
Greater Greenville	12,959	+ 3.5%	7.8%	10.3%	12.1%	53	97.9%
Greenwood	946	+ 5.7%	7.4%	19.9%	38.4%	128	95.2%
Hilton Head	4,684	+ 10.2%	26.0%	33.7%	4.8%	150	96.2%
North Augusta	7,755	+ 2.1%	4.7%	9.5%	20.8%	128	97.6%
Pee Dee	2,230	+ 10.3%	5.3%	10.7%	35.9%	144	95.6%
Piedmont	2,014	- 29.4%	10.5%	13.7%	21.4%	97	97.4%
Southern Midlands	348	+ 10.8%	3.7%	9.2%	47.1%	232	93.2%
Spartanburg	4,968	+ 7.2%	3.2%	10.8%	22.0%	102	97.2%
Sumter	1,631	+ 9.0%	1.0%	7.5%	27.9%	159	96.5%
Western Upstate	5,129	+ 5.1%	7.4%	13.9%	20.4%	70	96.3%
State Totals**	83,570	+ 4.5%	16.2%	15.5%	15.6%	91	97.1%

* The Percent of List Price Price Received noted for Charleston Trident and Greater Pee Dee is actually a calculation of the Percent of Original List Price Received.

** State Totals are not a summation of the areas in the table. This is done so as not to double-count any listings that may be found in more than one MLS.

Area Historical Median Prices

	2013	2014	2015	2016	2017	Change From 2016	Change From 2013
Aiken	\$140,000	\$142,500	\$147,700	\$155,450	\$165,000	+ 6.1%	+ 17.9%
Beaufort	\$135,000	\$153,900	\$169,900	\$193,000	\$210,000	+ 8.8%	+ 55.6%
Charleston Trident	\$204,900	\$215,000	\$229,000	\$240,000	\$251,464	+ 4.8%	+ 22.7%
Cherokee	\$75,000	\$74,151	\$80,875	\$101,500	\$113,500	+ 11.8%	+ 51.3%
Greater Columbia	\$144,000	\$147,000	\$150,000	\$159,500	\$160,000	+ 0.3%	+ 11.1%
Coastal Carolinas	\$146,000	\$155,000	\$164,000	\$168,600	\$175,900	+ 4.3%	+ 20.5%
Greater Greenville	\$154,000	\$159,900	\$169,935	\$180,000	\$189,000	+ 5.0%	+ 22.7%
Greenwood	\$117,000	\$114,000	\$115,000	\$129,300	\$128,450	- 0.7%	+ 9.8%
Hilton Head	\$0	\$260,500	\$276,000	\$292,500	\$300,000	+ 2.6%	--
North Augusta	\$145,000	\$152,445	\$156,100	\$165,000	\$170,000	+ 3.0%	+ 17.2%
Pee Dee	\$119,900	\$118,000	\$130,000	\$134,000	\$134,900	+ 0.7%	+ 12.5%
Piedmont	\$145,000	\$151,500	\$160,000	\$162,000	\$171,900	+ 6.1%	+ 18.6%
Southern Midlands	\$75,000	\$80,200	\$89,900	\$99,450	\$112,500	+ 13.1%	+ 50.0%
Spartanburg	\$123,000	\$125,000	\$135,000	\$145,000	\$155,000	+ 6.9%	+ 26.0%
Sumter	\$130,000	\$129,600	\$127,500	\$134,950	\$144,000	+ 6.7%	+ 10.8%
Western Upstate	\$134,000	\$137,000	\$149,500	\$151,000	\$165,000	+ 9.3%	+ 23.1%
State Totals**	\$152,900	\$160,155	\$172,000	\$180,000	\$189,250	+ 5.1%	+ 23.8%

* The Percent of List Price Price Received noted for Charleston Trident and Greater Pee Dee is actually a calculation of the Percent of Original List Price Received.

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