

Annual Report on the South Carolina Housing Market

FOR RESIDENTIAL REAL ESTATE ACTIVITY FROM THE STATE OF SOUTH CAROLINA



2015

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In 2015, residential real estate experienced its best year since the Great Recession ended in 2009. Although inventory could still use a jolt, demand was healthy throughout the year and there was enough supply to keep the engine strong.

Interest rates did not go up earlier in 2015, as was widely anticipated, but the Federal Reserve finally took action with a short-term rate increase in December and is expected to do more of the same with some consistency in 2016. Housing and the wider economy has proven itself ready for such a move, and rate increases can actually serve to maintain economic balance.

If consumers are unwilling to pay higher rates on borrowed money, 2016 could get off to a slow start. By historical standards, that seems like an unlikely reaction. Even if rates were to reach 4.5 percent, it would still be well below what weaker economic conditions than exist today have easily borne in the past.

While rates may get the most digital news ink, other topics worth attention in 2016 include affordable inventory for new buyers, competition from cash investors for that inventory and the continuing barrier to entry that is student loan debt.

Sales: The biggest news in 2015 was the lack of news on rate increases, so buyers kept locking in low 30-year fixed rates. Pending sales increased 12.8 percent to 73,344 to close out the year.

Listings: Inventory struggled in year-over-year comparisons. There were 33,800 active listings at the end of 2015. New listings increased by 3.6 percent to rest at 106,214 for the year. Inventory should rise in 2016, but that will depend upon additions from new construction along with would-be sellers tapping into a market already in their favor.

Prices: The cost to buy a home rose again in 2015. The overall median sales price was up 6.2 percent to \$172,000 for the year. Home prices should continue to rise in 2016 but perhaps at a tempered pace as the market approaches a natural balancing point. Price gains should be more in line with historical norms in 2016. Prices for Single-Family homes were up 6.4 percent compared to last year, and Condo prices were up 3.5 percent.

List Price Received: Sellers received 96.4 percent of their list price received at sale, a year-over-year increase of 0.6 percent. Sales prices are expected to increase slightly in 2016, which should translate into further increases in list price received.

The national homeownership percentage is the lowest it's been since 1993. As rental development continues, especially in urban centers, and as rental rates continue to rise, we may begin to gradually see some pushback on paying a lease versus a mortgage. Lending stringency and, you guessed it, interest rates may have an effect on the number of new buyers we see in 2016.

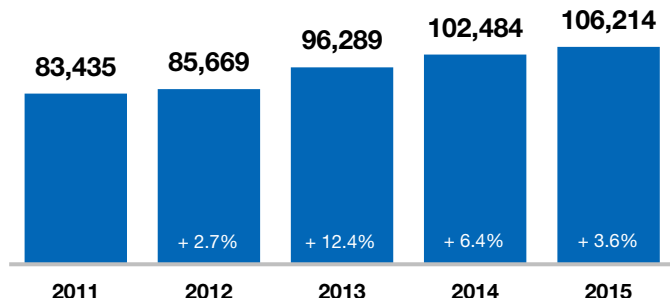
Gross Domestic Product increased at an annual rate near 2.0 percent to close 2015, and chances are favorable to get above 2.5 percent next year. Housing is again considered a cornerstone of the national economy. Contributing factors from within the industry include better lending standards and improved inventory unhampered by foreclosures. Declining unemployment, higher wages and low fuel prices have also nudged buying power forward. Conditions are good for a continuation of positive trends in 2016.

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Quick Facts

New Listings



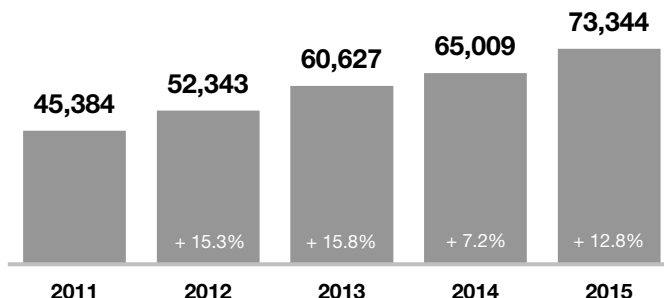
Top 5 Areas: Change in New Listings from 2014

CMLS	+ 12.0%
Charleston Trident	+ 8.6%
Hilton Head	+ 6.0%
North Augusta	+ 4.9%
Coastal Carolinas	+ 4.5%

Bottom 5 Areas: Change in New Listings from 2014

Western Upstate	- 4.5%
Spartanburg	- 5.7%
Southern Midlands	- 8.5%
Piedmont	- 9.9%
Cherokee	- 20.7%

Pending Sales



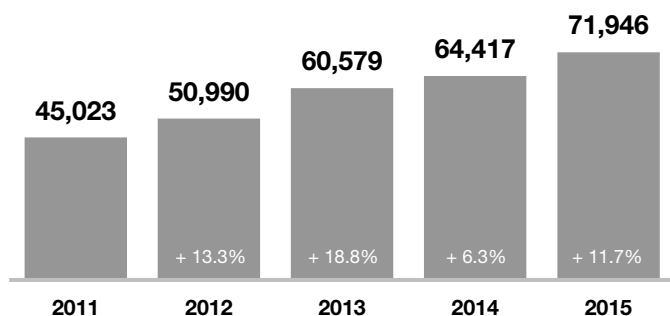
Top 5 Areas: Change in Pending Sales from 2014

Charleston Trident	+ 19.4%
Hilton Head	+ 19.2%
Greenwood	+ 18.3%
Aiken	+ 15.9%
Coastal Carolinas	+ 14.9%

Bottom 5 Areas: Change in Pending Sales from 2014

Southern Midlands	+ 1.3%
Sumter	+ 1.2%
Pee Dee	- 1.3%
Piedmont	- 5.8%
Cherokee	- 10.1%

Closed Sales



Top 5 Areas: Change in Closed Sales from 2014

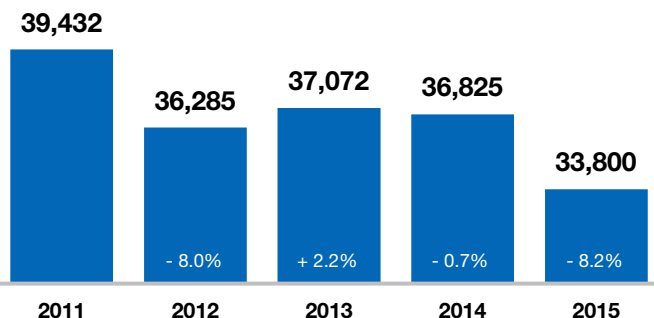
Greenwood	+ 17.9%
Western Upstate	+ 14.6%
Charleston Trident	+ 13.9%
Hilton Head	+ 13.2%
Greater Greenville	+ 12.9%

Bottom 5 Areas: Change in Closed Sales from 2014

Beaufort	+ 3.5%
Sumter	- 2.0%
Piedmont	- 2.1%
Southern Midlands	- 2.6%
Cherokee	- 13.7%

Inventory of Homes for Sale

At the end of the year.



Top 5 Areas: Change in Homes for Sale from 2014

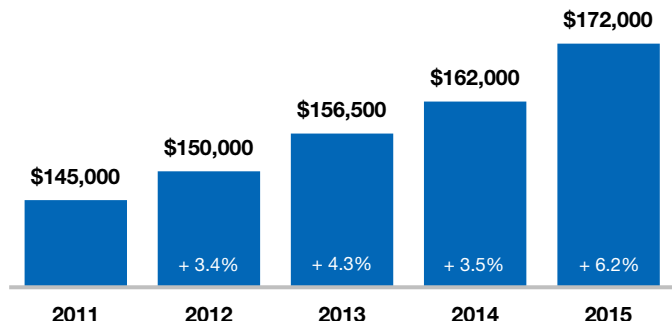
CMLS	+ 9.2%
Pee Dee	+ 0.9%
Greater Greenville	- 5.7%
Hilton Head	- 7.2%
Coastal Carolinas	- 8.0%

Bottom 5 Areas: Change in Homes for Sale from 2014

Southern Midlands	- 18.4%
Charleston Trident	- 19.4%
Piedmont	- 19.6%
Beaufort	- 27.1%
Cherokee	- 41.0%

Quick Facts

Median Sales Price



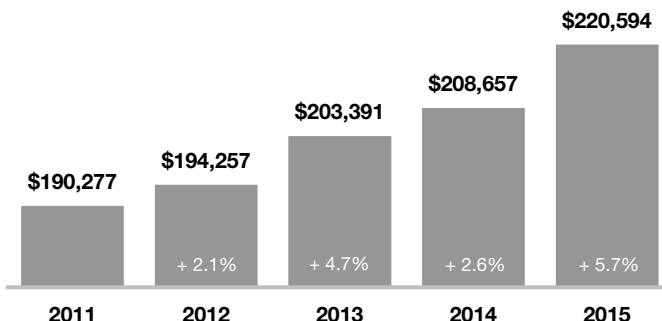
Top 5 Areas: Change in Median Sales Price from 2014

Southern Midlands	+ 12.2%
Beaufort	+ 10.4%
Pee Dee	+ 10.2%
Cherokee	+ 9.1%
Western Upstate	+ 9.0%

Bottom 5 Areas: Change in Median Sales Price from 2014

Aiken	+ 3.5%
North Augusta	+ 3.0%
CMLS	+ 2.0%
Greenwood	+ 0.9%
Sumter	- 2.0%

Average Sales Price



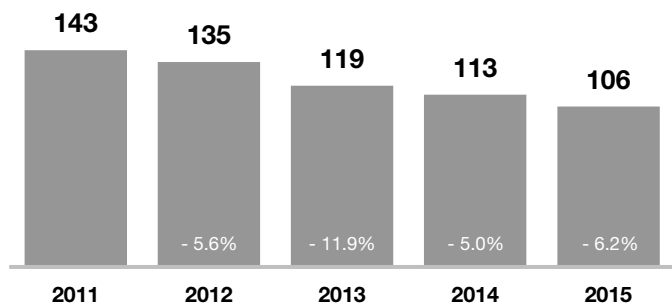
Top 5 Areas: Change in Avg. Sales Price from 2014

Cherokee	+ 11.7%
Spartanburg	+ 8.4%
Western Upstate	+ 8.0%
Pee Dee	+ 7.6%
Beaufort	+ 6.8%

Bottom 5 Areas: Change in Avg. Sales Price from 2014

CMLS	+ 3.6%
Piedmont	+ 3.4%
North Augusta	+ 2.8%
Hilton Head	+ 2.7%
Greenwood	+ 1.1%

Days on Market Until Sale



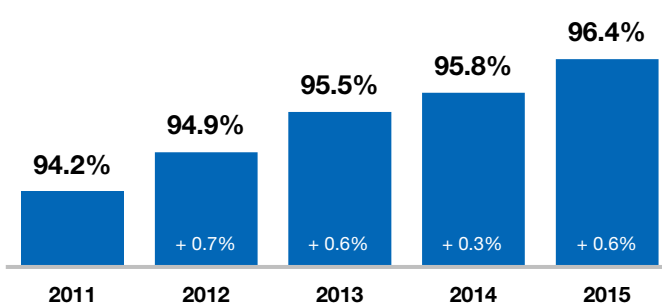
Top 5 Areas: Change in Days on Market from 2014

Pee Dee	+ 30.6%
Southern Midlands	+ 12.1%
Sumter	+ 0.6%
Cherokee	0.0%
Spartanburg	- 1.5%

Bottom 5 Areas: Change in Days on Market from 2014

Piedmont	- 7.5%
Greater Greenville	- 9.8%
Aiken	- 10.5%
Beaufort	- 12.6%
Charleston Trident	- 22.5%

Percent of List Price Received



Top 5 Areas: Change in Pct. of List Price Received from 2014

Cherokee	+ 2.1%
Aiken	+ 1.4%
Pee Dee	+ 1.0%
Western Upstate	+ 0.8%
Greater Greenville	+ 0.8%

Bottom 5 Areas: Change in Pct. of List Price Received from 2014

Piedmont	+ 0.3%
North Augusta	+ 0.2%
Greenwood	+ 0.1%
Beaufort	0.0%
Southern Midlands	- 0.9%

Property Type Review

103

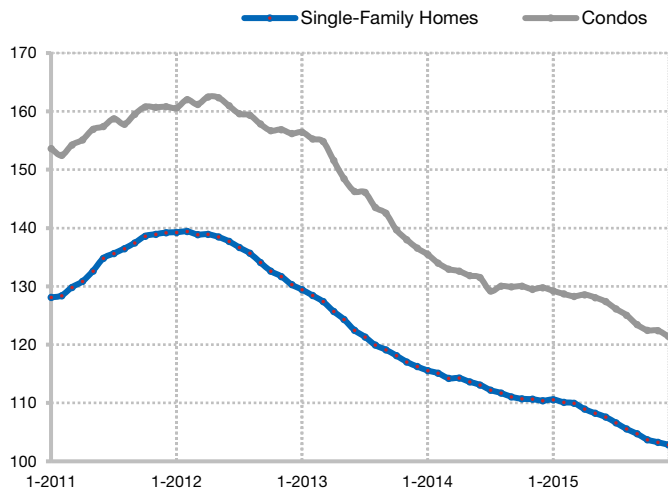
Average Days on Market
Single-Family Homes

121

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 2015

Coastal Carolinas	38.5%
Hilton Head	25.8%
Charleston Trident	16.0%
Piedmont	10.8%
Beaufort	10.3%
Greater Greenville	7.8%
Aiken	7.5%
Greenwood	6.9%
CMLS	6.7%
Western Upstate	6.6%
North Augusta	4.5%
Pee Dee	4.1%
Spartanburg	3.5%
Southern Midlands	1.0%
Sumter	0.9%

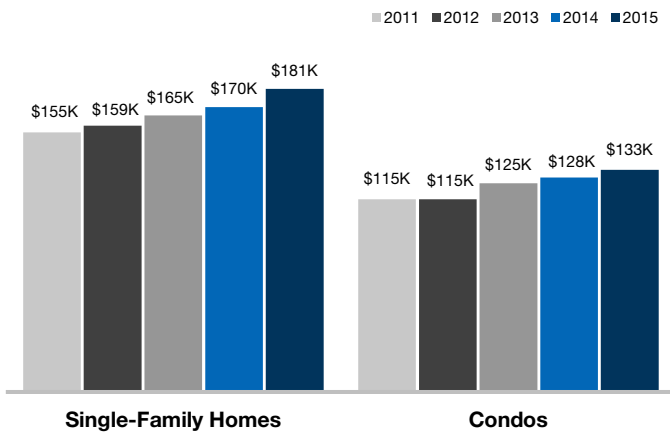
+ 6.4%

One-Year Change in Price
Single-Family Homes

+ 3.5%

One-Year Change in Price
Condos

Median Sales Price



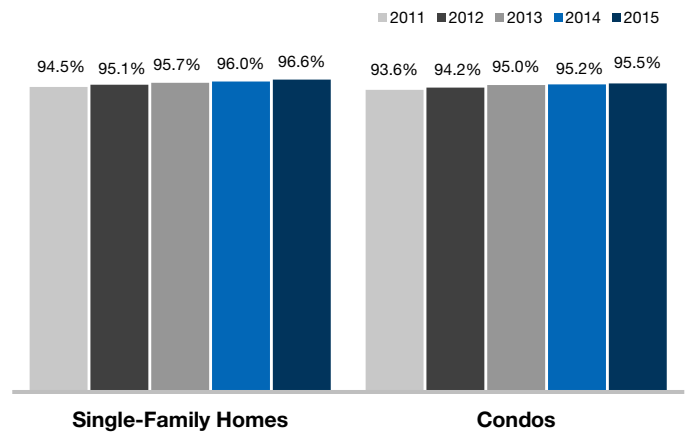
96.6%

Pct. of List Price Received
Single-Family Homes

95.5%

Pct. of List Price Received
Condos

Percent of List Price Received



Bedroom Count Review

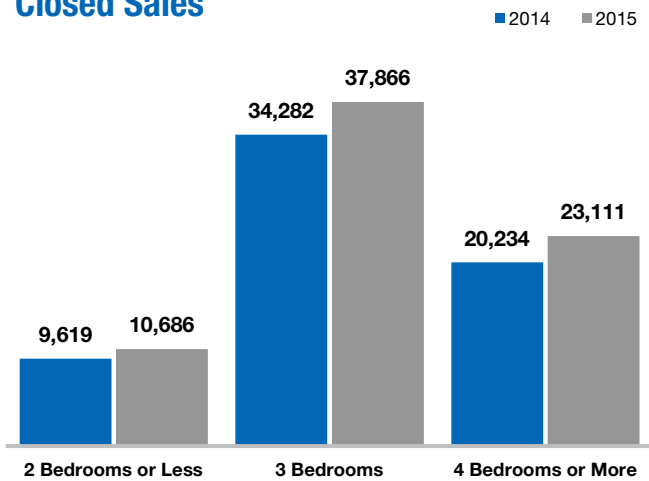
+ 11.1%

Growth in Closed Sales
2 Bedrooms or Less

+ 14.2%

Growth in Closed Sales
4 Bedrooms or More

Closed Sales



Top Areas: 4 Bedrooms or More Market Share in 2015

North Augusta	46.3%
CMLS	39.2%
Charleston Trident	37.8%
Greater Greenville	36.1%
Aiken	34.2%
Sumter	33.5%
Piedmont	31.9%
Spartanburg	30.8%
Pee Dee	30.1%
Western Upstate	28.4%
Southern Midlands	26.2%
Beaufort	25.5%
Hilton Head	23.9%
Greenwood	23.5%
Cherokee	21.0%

96.4%

Percent of List Price Received
in 2015 for
All Properties

94.3%

Percent of List Price Received
in 2015 for
2 Bedrooms or Less

96.6%

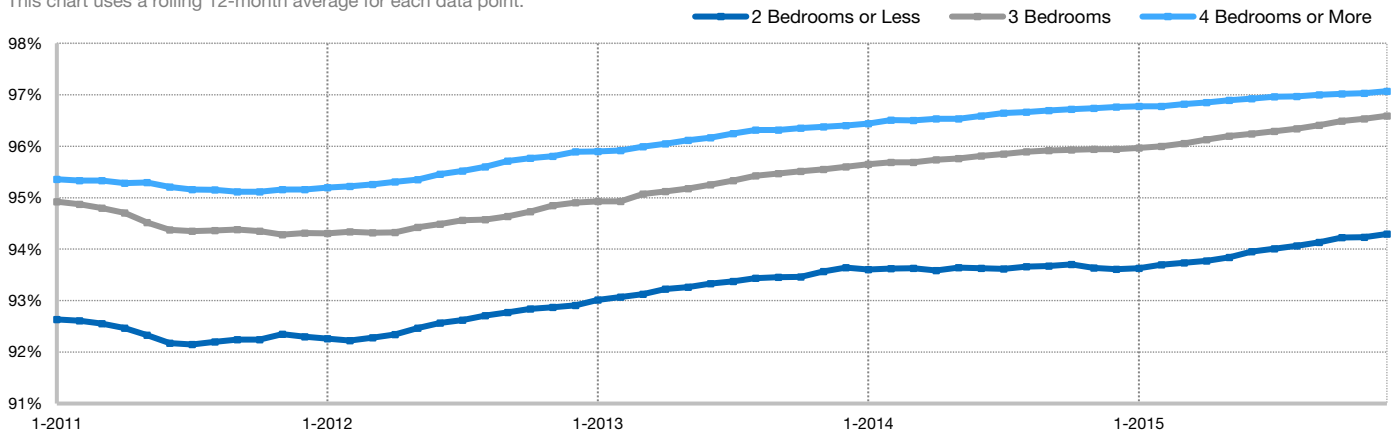
Percent of List Price Received
in 2015 for
3 Bedrooms

97.1%

Percent of List Price Received
in 2015 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

\$100,000 and Below

Price Range with Longest Average Market Time

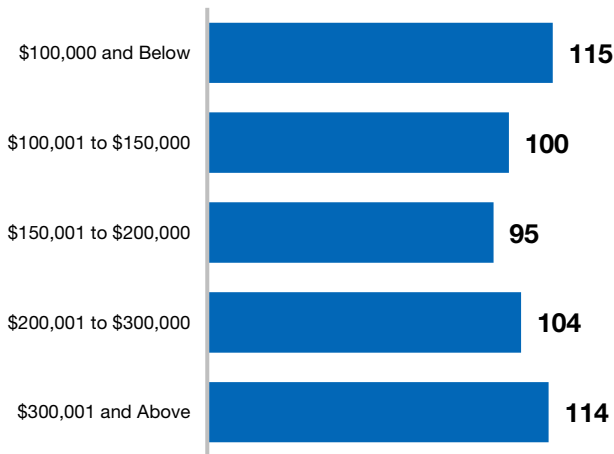
18.0%

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

- 21.3%

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

+ 23.7%

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

\$300,001 and Above

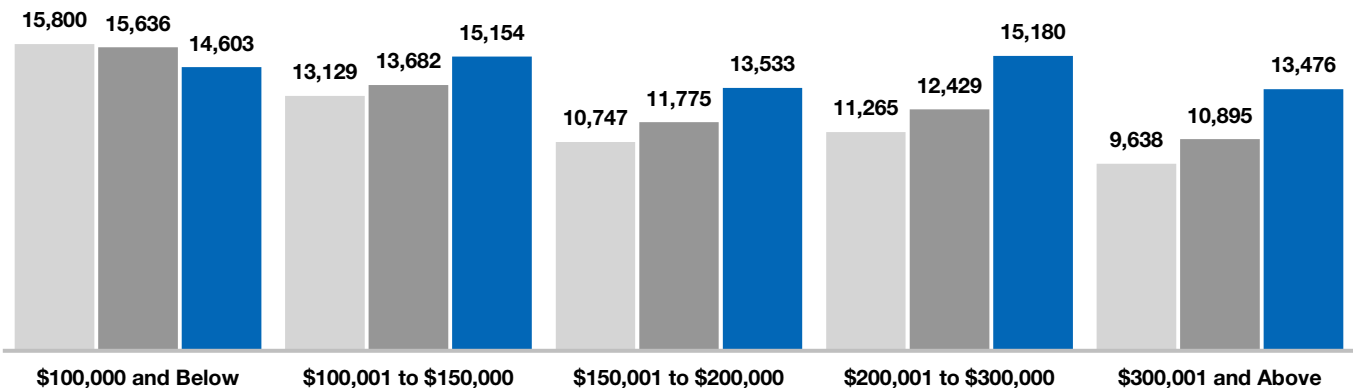
Price Range with the Fewest Closed Sales

- 6.6%

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

Closed Sales by Price Range

■ 2013 ■ 2014 ■ 2015





Area Overviews

	Total Closed Sales	Change from 2014	Percent Condos	Percent 2 Beds or Less	Percent \$100K or Less	Days on Market	Pct. of List Price Received
Aiken	1,973	+ 12.9%	7.5%	12.8%	27.0%	179	96.0%
Beaufort	2,023	+ 3.5%	10.3%	14.2%	31.9%	111	96.7%
Charleston Trident	16,237	+ 13.9%	16.0%	11.8%	9.7%	62	97.7%
Cherokee	472	- 13.7%	0.4%	14.6%	58.7%	140	93.8%
CMLS	11,010	+ 12.2%	6.7%	10.3%	24.1%	96	96.2%
Coastal Carolinas	11,762	+ 12.0%	38.5%	26.0%	22.0%	157	96.0%
Greater Greenville	11,591	+ 12.9%	7.8%	10.2%	17.6%	74	97.0%
Greenwood	842	+ 17.9%	6.9%	20.2%	43.1%	150	93.9%
Hilton Head	4,043	+ 13.2%	25.8%	32.6%	7.8%	109	95.7%
North Augusta	6,848	+ 10.1%	4.5%	10.3%	25.9%	140	97.0%
Pee Dee	1,908	+ 9.0%	4.1%	10.1%	36.7%	141	94.5%
Piedmont	2,884	- 2.1%	10.8%	12.1%	22.7%	124	96.4%
Southern Midlands	298	- 2.6%	1.0%	10.1%	55.4%	223	90.5%
Spartanburg	4,233	+ 9.7%	3.5%	10.2%	30.1%	132	95.8%
Sumter	1,285	- 2.0%	0.9%	7.5%	36.4%	172	95.1%
Western Upstate	4,359	+ 14.6%	6.6%	13.5%	27.1%	103	95.0%
State Totals**	71,946	+ 11.7%	15.0%	14.9%	20.3%	106	96.4%

* 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

	2011	2012	2013	2014	2015	Change From 2014	Change From 2011
Aiken	\$151,880	\$148,000	\$140,000	\$143,000	\$148,000	+ 3.5%	- 2.6%
Beaufort	\$175,000	\$165,565	\$135,000	\$153,900	\$169,900	+ 10.4%	- 2.9%
Charleston Trident	\$181,275	\$190,050	\$204,900	\$215,000	\$229,000	+ 6.5%	+ 26.3%
Cherokee	\$64,600	\$77,000	\$75,000	\$74,151	\$80,875	+ 9.1%	+ 25.2%
CMLS	\$139,890	\$139,779	\$144,000	\$147,000	\$150,000	+ 2.0%	+ 7.2%
Coastal Carolinas	\$138,000	\$138,050	\$146,000	\$155,000	\$164,000	+ 5.8%	+ 18.8%
Greater Greenville	\$139,000	\$147,900	\$154,000	\$159,900	\$169,900	+ 6.3%	+ 22.2%
Greenwood	\$109,000	\$112,000	\$117,000	\$114,000	\$115,000	+ 0.9%	+ 5.5%
Hilton Head	\$225,000	\$225,000	\$251,609	\$258,000	\$276,900	+ 7.3%	+ 23.1%
North Augusta	\$143,000	\$144,900	\$145,000	\$152,350	\$156,900	+ 3.0%	+ 9.7%
Pee Dee	\$115,000	\$124,500	\$119,900	\$118,000	\$130,000	+ 10.2%	+ 13.0%
Piedmont	\$145,450	\$147,500	\$145,000	\$150,075	\$160,000	+ 6.6%	+ 10.0%
Southern Midlands	\$87,000	\$88,000	\$75,000	\$80,200	\$89,950	+ 12.2%	+ 3.4%
Spartanburg	\$113,000	\$118,500	\$123,000	\$125,000	\$135,000	+ 8.0%	+ 19.5%
Sumter	\$126,500	\$129,001	\$130,000	\$129,600	\$127,000	- 2.0%	+ 0.4%
Western Upstate	\$120,000	\$125,000	\$134,000	\$137,000	\$149,348	+ 9.0%	+ 24.5%
State Totals**	\$145,000	\$150,000	\$156,500	\$162,000	\$172,000	+ 6.2%	+ 18.6%

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