



The LaCoe Team

HILTON HEAD ISLAND REPORT

Real Estate Tips and Advice from Allan & Gloria LaCoe



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Flood Policy Relief In the Works

Homeowners worried that new federal flood maps will send their flood insurance premiums skyrocketing would get some short-term relief under a provision tucked into a massive government-wide funding bill. The move comes as the government is beginning to implement a significant overhaul of the program, which passed in 2012. The broader bill that will soon be debated would effectively delay the 2012 reforms, with new rates for homeowners facing higher rates when flood maps are updated, for four years.

The 2012 law protected subsidies for people who receive them if their houses hadn't been recently flooded, but does not allow them to pass them on to the person who buys their home. This has led to a severe slow-down in many housing markets. The broader legislation would allow them to transfer the subsidy when they sell their home, thereby propping up home values. Stay tuned on this important topic.

Source: *The Post and Courier*

Healthy Housing Market

The housing market, a main drive of the economy now, will continue its healthy recovery despite the recent temporary weakness that resulted from higher mortgage interest rates. The interest rate on 30-year fixed rate mortgages likely will hit 4.8% by the end of 2014, compared with 4.16% in early November 2013. Despite that, home prices should advance by nearly 10% in 2014 as banks relax lending standards, inventory levels remain low relative to what we have seen in the past and buyers take advantage of rates that still are historically very low. Now is a great time to buy and we want to hear from you!

Source: *BottomLine Personal*

Housing at a Glance For The Year 2013

Buyers were active throughout 2013, prices were higher in most areas, and inventory levels and absorption rates remained tightened. Pending Sales in the Hilton Head region were up 11.1% overall. The price range with the largest gain in sales was the \$375,001 to \$650,000 range, increasing 35.5%. The overall Median Sales Price was up 12.4% to \$254,000. The property type with the largest price gain was the Condo segment, where prices increased 18.8% to \$190,000. The price range that tended to sell the quickest was the \$100,000 and below range at 97 days. Market-wide, inventory levels were down 11.5%.

	2012	2013	
Closed Sales	3,305	3,620	9.5%
Median Sales Price	\$226,055	\$254,000	12.4%
Average Sales Price	\$316,167	\$339,916	7.5%
% of Last Asking Price	94.6%	95.3%	0.8%
Days on Market	127	117	-7.6%
Inventory Homes	2,603	2,304	-11.5%
Month's Supply Inventory	9.1	7.3	-20.3%
New Listings	5,319	5,394	1.4%
Pending Sales	3,414	3,793	11.1%

Housing is fortified by confident consumers and good jobs. Interest rates remain low (but upwardly mobile), prices are still affordable, the employment picture looks decent, and the stock market is up nearly 30.0% from this time last year.

Source: *Hilton Head Area Association of REALTORS®/HHI MLS*

The New Shelter Cove – Lots of Activity Mid-Island!

We are excited to see all of the activity going on near Shelter Cove. If you haven't visited the new Kroger at Shelter Cove mall, you should check it out! Here's a rendering of the plans for the new Shelter Cove Towne Centre.



– For more information, visit www.sheltercovetownecentre.com/img/Images/sheltercovetownecentremap01.jpg.

Attracting Buyers—We Need Your Help!

What are the best ways to attract new buyer-clients (multiple responses allowed)? The top five are:

Referrals from past clients/word of mouth – 92%

Having listings/working open houses – 61%

A buyer-friendly website/web presence – 38%

Traditional (non-electronic) advertising (direct mail, ads, phone outreach) to your farm – 22%

Referrals from REALTOR®S – 21%

Baby Boomers and Civics are significantly more likely to cite traditional advertising (24% and 16% respectively), while Gen X and Gen Y are more than twice as likely to place social networking in their top three activities (39% vs. 16%).

Source: Today's Buyer's Rep

Upcoming Events

February 1 – 28 – 18th Annual Hilton Head Island Gullah Celebration – fun-filled with a month of activities -

<http://www.gullahcelebration.com/events-calendar>.

February 27 - March 4 – Hilton Head Golf & Tennis Festival -

<http://www.hhgolfandtennisfestival.com/>.

February 23 – Cooks & Books -

<http://www.hiltonheadisland.org/event-calendar/details/cooks-a-books-2/>

March 10 – 15 – 29th Annual Hilton Head Island Wine & Food Festival -

<http://www.hiltonheadisland.org/winefest/>



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Your Opinion Counts

If you are looking for real estate information, have questions or ideas that you think would be beneficial to us to include in our newsletter, please contact us at info@LaCoeTeam.com. Look for your questions in our quarterly newsletter as you can help us help others in their real estate investments. Thanks for your participation!



HHI Area Association
of Realtors
2010 Realtor of the Year
Gloria LaCoe

Real Estate Predictions for 2014 from *Keeping Current*



Interest rates will increase significantly: Most experts are calling for an increase in mortgage interest rates in 2014. However, it is believed the increase will be more dramatic than is being projected with rates closer to 6% (or higher) than 5% by year's end.

The Fed announced last month that they would be pulling back some of their stimulus package which has helped the housing market by keeping long term mortgage rates at historic lows for the last few years.

Sales will surge: Many housing pundits are calling for home sales to do slightly better in 2014 than they did in 2013. To the contrary, *Keeping Current Matters'* predictions strongly believe that home sales will skyrocket with increases of 10 - 15% in 2014. Three categories of buyers are believed to create this strong demand – the first-time buyer, move-up buyer and immigrant buyer.

Supply will struggle to keep up with demand: With a dramatic increase in demand for housing expected this year, it will be up to real estate professionals and builders to make sure there is the inventory to satisfy this demand. For a balanced real estate market, there should be approximately five - six months of inventory for sale. Nationally, we are just now hitting the five month level. As the spring selling season heats up, a new wave of housing inventory would have to come to market to keep up with the increasing demand of buyers. If we couple this seasonal increase with the other dynamics that will increase demand for housing in 2014, *Keeping Current Matters* predicts that housing inventory could drop substantially. A closer look at existing home sales reveals that sales remained unchanged in one of the four regions of the country (the Midwest) and actually increased in two other regions (the Northeast and the South). The only region that had a decrease in sales was the Western region (down over 10%).

For more information, visit www.keepingcurrentmatters.com.

Innocence

“So much of our adult lives are filled with conditions. Even when we are taking a walk at the beach, we are wishing for more, or for something other – to own a house on the beach, or to live there year-round, or to have more time or energy or money to appreciate it. We can't seem to just accept what is – at its face value. But take a walk with a child on the beach. It's the most wonderful thing! They accept what is unconditionally. They skip and hop in the waves and find treasure everywhere. The whole beach is a playground to them, the sea a magic wonderland. They don't wish for it to be

otherwise. It is what it is – entire and sufficient. Often times when I walk, I take my dog Quincy with me. He loves life with that same kind of childlike fullness. There's something contagious about a dog's pure kind of happiness. It's relentless joy, it's bounding, stretch-it-out, splash-around-in-it aliveness. Thank God for him. He lifts my heart up when my spirits are low. So expand your heart. Turn off your mind. Open your arms and accept the moment. Take innocence with you when you go to the beach, because innocent is often the wisest way to walk through life.”

From *Walks on the Beach* by Sandy Gingras.



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Use your Smart Phone or Quick Code Reader on your iPhone to get the most up-to-date information on the Hilton Head Island real estate Market.

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Exciting Changes are Happening on Hilton Head Island and Singleton Beach!

The Chaplin Linear Park is an exciting opportunity for Hilton Head Island residents and guests to experience a variety of the Island's environmental assets. This park will connect the proposed Shelter Cove Waterfront Park on Broad Creek to Collier Beach Park on the Atlantic Ocean. Through an integrated system of boardwalks, observation piers and platforms, pedestrian bridges, waterfront promenades, and multi-purpose trails, people will experience the natural environment including the creek, marsh, maritime forest, folly, beach, and ocean.

For more details about these wonderful changes, visit <http://www.hiltonheadislandsc.gov/projects/chaplinlinear/home.cfm>.

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paradise...
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HOME



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