

Second Quarter, 2011



The New
HILTON HEAD ISLAND

Carolina Realty Group
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SALES ACTIVITY

We have seen significant sales activity since the first of the year. Buyers are starting to gain confidence in the market and it is showing in our new pending transactions. New pending transactions were up 33% in January, 27% in February and 21.7% in March when compared to the same time period in 2010. A large segment of the market increase has been in properties priced under \$650,000, but for the first time in a long time we have seen a jump in sales for higher priced properties as well. There were 2 oceanfront sales in the last 3 months of 2010 compared to 14 sales during the first 3 months of 2011. We are all certainly encouraged by the significant increase in buyer "interest" for properties priced over \$1 million, we have not seen this much activity for quite some time.

As you can see from our 2nd Quarter Community Spotlight, Sea Pines Plantation and Hilton Head

Plantation have really had a great run on transactions since the first of the year. I continue to show and sell the buyers that are purchasing now at such a great value and then eventually moving to our area full time in the near future. Believe it or not we are even seeing multiple offers on those properties that are well below market value. A lot of the foreclosures will put a time frame on accepting offers when they hit the market, for example: No offers reviewed on or before the first seven (7) days of the listing. This as you can imagine, builds up a great deal of demand and I have seen eight (8) or nine (9) offers on some of these.

Inventory across the board is declining; thus far **inventory has declined by 11.6%** since the first of the year. By no means are we saying prices are starting to go up and we don't see this happening until inventory levels continue to fall.



NAR COMMENTS ON CREDIT SCORE REGULATIONS

On April 14, 2011, NAR submitted comments to the Federal Trade Commission (FTC) and the Federal Reserve Board on proposals to amend their risk-based pricing rules. NAR also submitted comments on the Federal Reserve Board's proposed rule to amend certain adverse action model notices in Regulation B. The proposed rules would make the risk-based pricing and certain adverse action notices consistent with section 1100F of the Dodd-Frank Act which requires that the notices include a credit score used in making the credit decision and information relating to credit scores.

NAR supports the proposed amendments that will provide consumers with their credit score used in making a credit decision when the score results in less favorable terms to the consumer than the most favorable terms available to a substantial proportion of consumers or when a creditor notifies consumers against whom it has taken an adverse action.

REALTORS® believe having access to and an understanding of one's credit score is an important factor in attaining financial literacy and, given this information, will be in a better position to correct any inaccurate information while gaining a better understanding of what factors affect the score so they can work to increase it.





As of MAY 1 2011

SEA PINES

ACTIVE LISTINGS:

HOMES: 208 VILLAS: 167 LOTS: 35

PENDING OR CONTINGENT SALES:

HOMES: 27 VILLAS: 11 LOTS: 1

YTD SALES:

61 HOME SALES, 21 VILLA SALES and 2 LOT SALES

MOSS CREEK

ACTIVE LISTINGS:

HOMES: 53 VILLAS: 1 LOTS: 11

PENDING OR CONTINGENT SALES:

HOMES: 13 VILLAS: 1 LOTS: 1

YTD SALES:

19 HOME SALE, 2 VILLAS SALES and 1 LOT SALE

HILTON HEAD PLANTATION

ACTIVE LISTINGS:

HOMES: 111 VILLAS: 16 LOTS: 19

PENDING OR CONTINGENT SALES:

HOMES: 18 VILLAS: 2 LOTS: 3

YTD SALES:

51 HOME SALES, 5 VILLA SALES

WINDMILL HARBOUR

ACTIVE LISTINGS:

HOMES: 52 LOTS: 13 VILLAS: 169

PENDING OR CONTINGENT SALES:

HOMES: 4 LOTS: 2 VILLAS: 24

YTD SALES:

2 HOMES SALES & 4 VILLA SALES

Need an update on a specific area?
Email me today RickSaba@RickSaba.com

45-DAY SHORT SALE DECISION LEGISLATION INTRODUCED

On Tuesday, April 12th, 2011, Representatives Tom Rooney (R-FL) and Robert Andrews (D-NJ) introduced H.R. 1498, the "Prompt Decision for Qualification of Short Sale Act of 2011". This legislation makes it mandatory for mortgage servicers to reply to a short sale application within 45 days of submission. If the servicer fails to provide a decision to the short sale applicant within that time period, the application is deemed approved. NAR has heard from many of our members nationwide that the length of time for a decision on a short sale application remains a significant impediment for this foreclosure mitigation option. It is the NAR's hope that this legislation will not just shine a light on the short sales issue, but establish a mechanism for the development of an appropriate solution.

If you would like to take a look at what short sale and foreclosures properties are for sale in our area, please visit www.RickSaba.com for a complete list. If you have any questions about short sales, please contact me today (843) 683-4701.



SC SUPREME COURT HAULTS FORECLOSURES

The Supreme Court of South Carolina issued an administrative order that would freeze all pending foreclosure actions on May 9th for owner-occupied homes. This would be in place until the lender can show that they have worked with that borrower on other avenues such as a loan modification or other loss mitigation possibilities. According to the order, before any court hearings or foreclosure sales can proceed, the lender's attorney must certify that the borrower has been informed of their right to seek a foreclosure alternative resolution and has been given the opportunity submit all of the necessary documentation.

This statewide order takes into consideration on owner-occupied homes is a direct result of the actions that are taking place with the lenders that are negotiating with a borrower on a loan modification, while simultaneously pursuing foreclosure actions. I see quite often a property slated for the foreclosure sale on the books for the upcoming month, while I am 4 or 5 months in to a short sale negotiation. This is now the second time that we have had a freeze on foreclosures in our state, the last one only lasted two (2) weeks.

If a loan modification or other foreclosure alternative is denied, the lender's attorney must certify that the borrower have has notified in writing.

To view the 6/18/09 SCR webinar on the 2009 Moratorium presented by a SC Department of Consumer Affairs attorney: screaltors.org/webinar

For more information what is happening in our market with distressed properties, please contact me today direct at (843) 683-4701 or by email: RickSaba@RickSaba.com

Need area information?
visit www.RickSaba.com

**Rick Saba is a CDPE® Certified Distressed Property Expert
and an SFR® Short Sale and Foreclosure Resource**

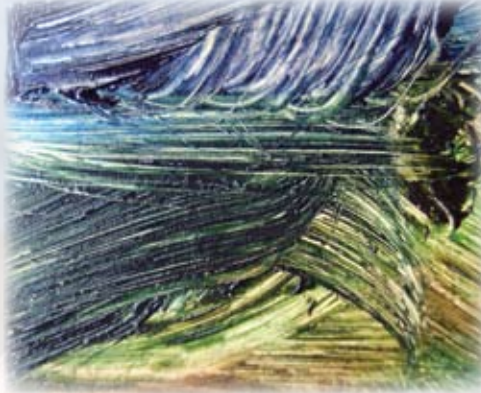
MAIN STREET YOUTH THEATRE

Shakespeare in the Park-The theatre's annual Shakespeare in the Park event. May 20th-22nd and May 27th-29th. Gates open at 6:00 PM for picnics on the lawn, bring your own dinner. The show begins at 7:00 PM. Call (843) 689-6246 or visit www.msyt.org



3RD ANNUAL HILTON HEAD ART FESTIVAL

Memorial Day Weekend, Saturday May 28, 10 AM to 6 PM and Sunday 10AM to 5PM Shelter Cove, presented by Howard Allen Events, www.artfestival.com



FARMERS MARKET OF BLUFFTON

Markets held every Thursday, 2pm - 7pm
March 17th - December 22nd
Carson Cottages • Calhoun St. • Historic Bluffton.
www.farmersmarketbluffton.org/

HILTON HEAD ISLAND FARMERS MARKET

Open 8:30am-1:00pm Fridays through October 31 with Holiday Markets November 18, December 2 & 9

The Farmers Market, Hilton Head Island at Historic Honey Horn is the perfect place to buy fresh, locally grown produce. www.farmersmarkethilton-headisland.com/



HAPPENING GIGS

White Liquor Summer Beach Bash

Featuring Hilton Head Island's Best Band 2008, 2009 and 2010, White Liquor is a Rolling Stone's Tribute Band. Playing at Remy's from 6 PM to 10 PM Saturday May 28th, June 25th, July 30th and August 27th. Remy's Dine, Drink & Dance 130 Arrow Road Hilton Head Island, SC 29928 Call (843) 842-3800 or visit www.remysbarandgrill.com

SUMMER JAMS at SHELTER COVE PARK

Every Tuesday from June 21st to August 9 at Shelter Cove Park from 7 PM to 10 PM Family friendly music, games, kid zone food and more. All proceeds benefit the Hilton Head Island Recreation Association Children's Scholarship Fund.



KIDS GIGS AT THE SANDBOX:

"Imagination Hour" A short story time followed by a related arts and crafts, games or science project. Each week features a fun and unique theme. www.thesandbox.com or call (843) 842-7645





Valuable information on what is happening in Beaufort and Jasper County, courtesy of our Association's most valuable asset Joe Croley, our political liaison for the Hilton Head Area Association of Realtors®. Joe goes to all of the county, school board and town council meetings, then conveys the information first hand to our group. I am fortunate to serve on the Legal and Legislative Committee, along with Daniel Moskowitz for our Association and get to meet with Joe for our weekly status updates.

Meeting: BC Natural Resources Committee

Date: 05/02/2011

Issue: Storm water Amendments to enforce new runoff requirements.

Relevancy: Applies to lots of record but not built within unincorporated County, approximately 20,000. This will increase costs of C-O for these dwellings.

Status: Passed unanimously, moves to full Council. See link:

<http://www.bcgov.net/about-beaufort-county/administration/beaufort-county-council/county-council/committees/natural-resources/agendas/2011/050211-10am-item2-zdso-textamend-stormwatervolume-lotsofrecordbutnotbuilt.pdf>

Issue: Creation of Transfer of Development Rights Program around MCAS.

Relevancy: Will protect current Airbase perimeter.

Status: Passed unanimously, forwarded to full County Council for approval. This will allow one sender unit to convert to three development units in receiving location.

Meeting: BC Governmental Affairs

Date: 05/02/2011

Issue: Status of Senate bill 647, ATI.

Relevancy: Would repeal current ATI law.

Status: Senator Davis feels that neither the Senate nor House bill will be acted upon this calendar year.

Meeting: Hilton Head Town Council

Date: 05/03/2011

Issue: 2012 Town operating Millage Rates.

Relevancy: Could be raised by 6.76% based on growth formula.

Status: Town Council will consider Manager's recommendation in the coming weeks.

Issue: State House Bill 3918

Relevancy: Will dilute the local zoning ability of municipalities that have public airports located within them.

Status: Town will oppose passage.

Meeting: BC Council/ School District 2012 Budget

Date: 5/5/2011

Issue: Will submit flat budget request for 2012 of approximately \$175 million.

Relevancy: Effect on Operating Millage rate not yet determined.

Status: Millage request to County Council will be presented after BCSD Board approval on May 17th. Probably an increase will be requested by School Board as allowed by state law formula.

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2009 Realtor® of the Year Hilton Head Association of Realtors®

2005 President Hilton Head Association of Realtors®

TESTIMONIALS...

"We would have not asked for a more professional real estate agent than the services you provided during our condo hunting in October. In a matter of hours we found a property that was ideal for us and in a few days we had a signed contract. The service after the sale was top notch. We are so much looking forward to our retirement in Sun City."

Bill and Suzy Hilborn Mechanicsburg, PA

"Eight years ago we searched for the best realtor® on HHI to represent us as buyers. After completing our research we found Rick Saba to be the most honest, ethical, knowledgeable and responsive realtor®. In 2002 and 2003 Rick helped us purchase 2 villas on HHI. In 2009 he helped us sell one of the villas on HHI. On every transaction he represented us in a very professional manner with our best interests as his priority. Also, during these years Rick became a personal friend as well. We are convinced that selecting Rick Saba was the best decision we could have made. Our decision has further been reconfirmed by Rick's election as President of the HH Area Association of Realtors in 2005 and his selection as the 2009 HH Realtor of the Year.

If you want the best realtor in the Hilton Head Area, Rick Saba is the best!"

Gus and Marjean Huber Ohio



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