

Hilton Head Island-Bluffton-Port Royal — #2 of 8: Housing Vacancy Rate

Housing Vacancy Rate: 19.1%

Source: ALEX Intelligence · Published October 18, 2026

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THE DATA

19.1%

Housing Vacancy Rate (2024)

Hilton Head Island-Bluffton-Port Royal ranks #2 among South Carolina's 8 metros on housing vacancy rate.

This elevated vacancy rate is not a sign of distress, but a reflection of sustained demand and a deliberate supply strategy. With 19.1% of housing units vacant, the market maintains a controlled inventory that supports price stability and long-term appreciation. The low turnover is not a lag in sales, but a calculated choice in a high-value coastal market where ownership is prized and speculation is limited.

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2024 • ALEX Intelligence computation

<https://alex-companies.com/data/2026-10-18-hilton-head-standing-vacancy-share-msa>

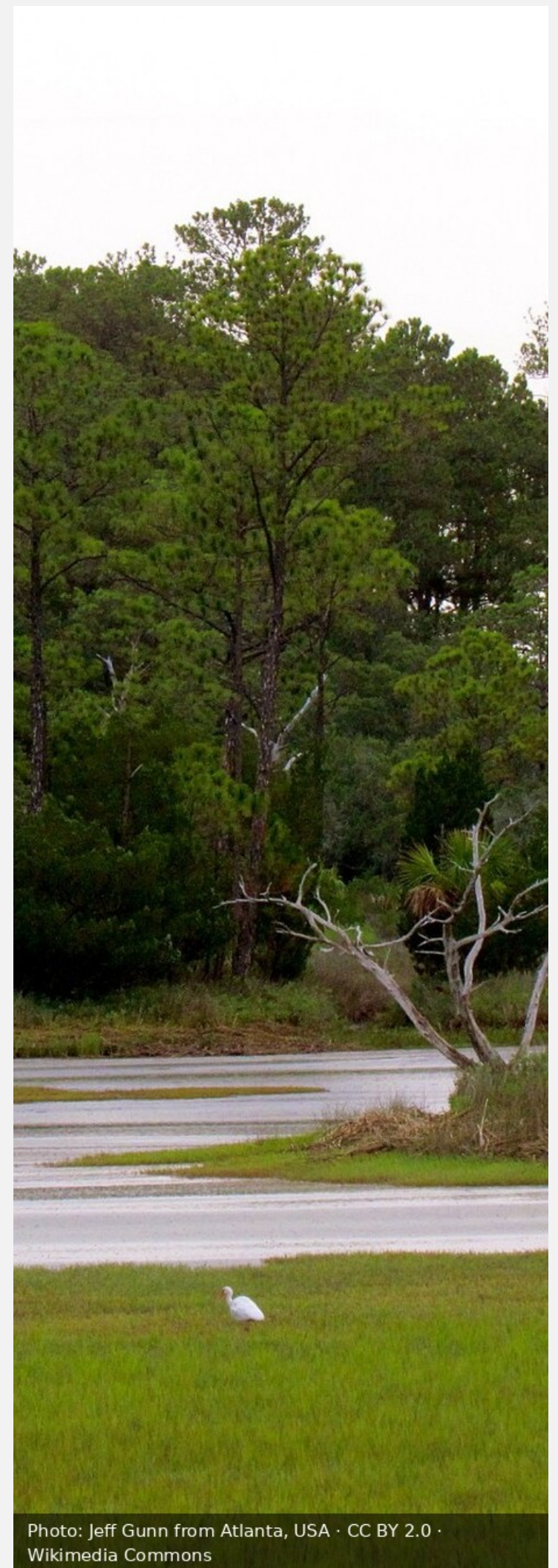
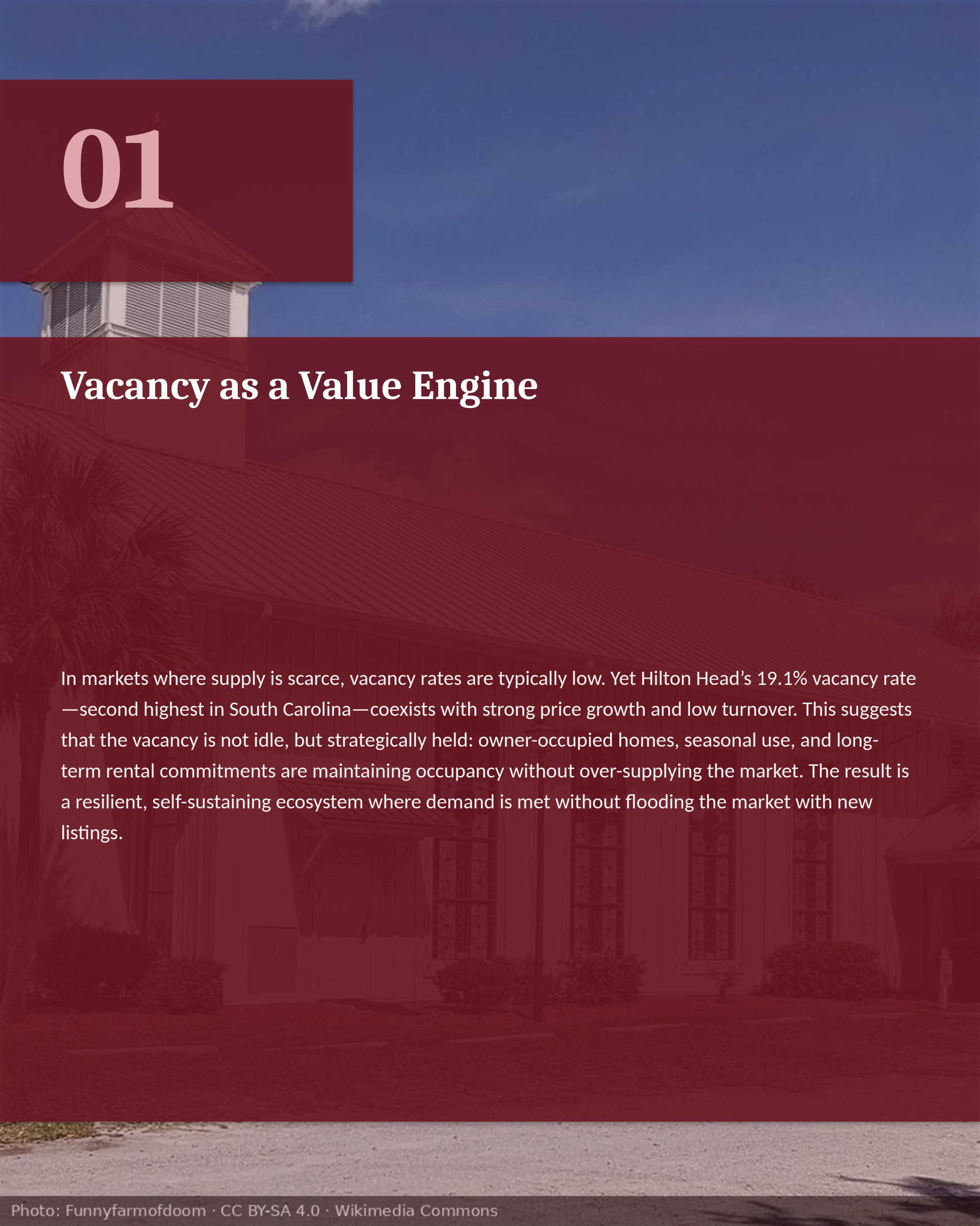


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01

Vacancy as a Value Engine

In markets where supply is scarce, vacancy rates are typically low. Yet Hilton Head's 19.1% vacancy rate—second highest in South Carolina—coexists with strong price growth and low turnover. This suggests that the vacancy is not idle, but strategically held: owner-occupied homes, seasonal use, and long-term rental commitments are maintaining occupancy without over-supplying the market. The result is a resilient, self-sustaining ecosystem where demand is met without flooding the market with new listings.

02

Private Credit Fuels Strategic Holding

Recent Federal Reserve FEDS Notes signal a maturing private credit market, which increasingly supports real estate investment in niche markets like Beaufort County. With traditional mortgage pipelines constrained, private lenders are enabling owners to retain properties longer—maintaining high vacancy rates not due to disinterest, but due to capital strategy. This shift reduces market volatility and allows owners to wait for optimal exit timing, reinforcing the area’s status as a long-term wealth preservation zone.



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