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Happy August everyone:

It is no secret to anyone that supply and demand rule our marketplace. The lack of housing inventory and a continual wave of demand keeps housing prices high. This latest movement (an exodus really) of people wanting to live a more rural lifestyle post-covid, PLUS the ability to work from home creates demand from a whole new set of people who may have never considered purchasing in Hawaii before. Interestingly, sales from within Hawaii are still making up about 53% of the purchases. So, this is not entirely a “mainlander” issue.

We’ve said it before and its worth reiterating; without new housing starts in the middle sector of the pricing structure, we will continue to see this trend. Those who are wanting to move up the ladder in home ownership cannot do so without the middle. No one can go from being a first-time home/condo owner to \$1.1M purchase in the traditional fashion. It’s like jumping up a ladder with 3 sections missing.

The biggest obstacle for developers to fill the void in the middle sector, is government red tape, and infrastructure. The County has proposed mixed density in the town core(s) where theoretically other infrastructure like roads and sewer already exist, but they still aren’t able to provide additional water which is required for higher density. It is with good intention to spark interest in the town core but unfortunately it has had little effect on providing significant housing. Developers have told us straight that they will never develop on Kauai due to building mandates and lag time for permitting that just doesn’t pencil out. Hence the only new developments you see are low end County sponsored housing or high-end developments. Again, missing the middle.

At Kauai Board of REALTORS® we remain involved in tracking and supporting/opposing bills specific to housing and hope that the County will reach out to us for more input before passing new legislation so that we can put real estate experts, stakeholders and County together for the greater good for all. And wouldn’t it be nice if we could get some market correction for our local families?

No surprise, the Kauai market place continues to be strong although we had a slight reduction in median price in June 2021. Below are a few snapshots of statistics for different points in time.

Please know that REALTORS are not only about selling property. We live, love and work in our community alongside our friends, families, and neighbors. We thrive when other thrive. And we want housing for all.

Statistics provided by Hawaii Information Service (HIS) in a 12-month snapshot July 1, 2020 to June 30, 2021 for all districts on Kauai:



\$1,796, 587, 952 in sales volume
1443 Sales

\$710,100 median price (remember this is a 12-month snapshot)
92.16% List price to sales price percentage

May 2021 only, for all districts:

\$165,130,822 in sales volume
69 sales
\$1,125,000 median price
92.35% List price to sold price

June 2021 only, for all districts:

\$187,314,500 in sales volume
85 sales
\$1,100,000 median price
94.95% List price to sold price

Sincerely,
Martie Law
2021 President