SOUTHERN ESCAPES

LUXURY RELOCATION INTELLIGENCE

MARKET INTELLIGENCE · 2026 EDITION

The Southern Migration Report

Affluent lifestyle migration to the American Southeast:
why it is accelerating, who is moving, and what the move is worth.

PUBLISHED BY SOUTHERN ESCAPES

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2026 Edition · Revised July 2026

EXECUTIVE SUMMARY

A structural shift, not a season.

The wealth migration from high-tax states to the Southeast is not a trend to time. It is a recalibration of how accomplished households think about geography, taxation, and the shape of a week.

Over the past five years, adjusted gross income has flowed out of New York, California, Illinois, Connecticut, and New Jersey and toward the lower-tax Southeast at a scale the IRS migration files record in the hundreds of billions of dollars per year. The Carolinas, Georgia, Tennessee, and Florida capture the largest share. Remote work decoupled income from location. Tax differentials widened, then were written into statute. And for the first time in a generation, the lifestyle quality of the Southeast rivals, and in several respects exceeds, that of the traditional wealth centers.

The 2026 census releases made the direction of travel official. South Carolina recorded the fastest population growth in the nation, roughly 80,000 net new residents in a single year, with domestic in-migration of 66,622 doing most of the work. North Carolina ranked first in the country for net domestic migration at a gain of 84,000. This report examines why the shift is accelerating, who is moving, where they concentrate, and what the move is actually worth.

80,000

Net new South Carolina residents in one year, the fastest population growth rate in the nation (SC Department of Employment and Workforce, February 2026).

KEY FINDINGS

REMOTE WORK PERMANENTLY DECOUPLED INCOME FROM GEOGRAPHY

For knowledge workers, owners, and senior executives, location is now a lifestyle choice rather than an economic necessity. That changes who can live in the Southeast and why they choose to.

TAX LAW NOW DOES THE WORK POLITICS USED TO DO

South Carolina's H.4216, signed in March 2026, replaced the old 6.4 percent top rate with a two-bracket structure of 1.99 and 5.21 percent, with automatic trigger cuts written into the statute. North Carolina holds a flat 3.99 percent with a legislated glide lower. The spread against the Northeast is governed by law, not by election cycles.

THE DIVIDEND COMPOUNDS TO SEVEN FIGURES

A household with $1 million in income and a $2.5 million primary residence preserves roughly $80,000 to $130,000 per year by relocating from New York to the Carolinas or Florida. Invested, a decade of that approaches and can exceed $1 million in additional wealth.

LIFESTYLE INFRASTRUCTURE IS THE DIFFERENTIATOR

Communities with real social infrastructure, private clubs, dining, programming, and protected land, are outperforming standalone developments in both appreciation and buyer retention.

SECOND HOMES ARE BECOMING PRIMARY RESIDENCES

The old pattern has inverted. Many affluent households acquire a Southeast second home that becomes the primary residence within 18 to 36 months, using the transition to test the community and optimize tax domicile.

CHAPTER ONE

Why the shift is happening.

Three drivers, in order of visibility: the tax arbitrage everyone can compute, the lifestyle arbitrage everyone can feel, and the identity shift almost nobody names.

The financial driver. State income tax rates have diverged dramatically over the past decade, and 2026 widened the gap again. South Carolina's H.4216 took effect for tax year 2026: 1.99 percent on taxable income under $30,000 and 5.21 percent above it, with a step-down trigger tied to revenue growth certified each February. North Carolina sits at a flat 3.99 percent with statutory cuts ahead. Meanwhile California's effective top rate on high wage income reaches 14.4 percent, and New York's top rate is 10.9 percent before New York City adds up to 3.876 percent on top. The full arithmetic is quantified in Chapter Four.

The lifestyle driver. If money were the only variable, the flow would run uniformly to zero-tax Florida and Tennessee. It does not. It runs to specific communities in the Carolinas that compete on lifestyle: mild winters and a nine-month growing season; the Blue Ridge within two hours of the major metros; deep, clean lakes at 800 to 2,000 feet of elevation; and a coast anchored by Charleston and the Lowcountry. A $3 million budget that buys a quarter acre in Greenwich buys acreage, newer construction, and a view of protected mountains in Greenville or Cashiers. The Southeast has also revived the private club as a social centerpiece; the marquee clubs of the Highlands-Cashiers plateau and the seven-club Cliffs network carry waitlists measured in years.

The psychological driver. Before 2020, the status narrative centered on proximity: the Manhattan address, the Silicon Valley zip code. The narrative has shifted to time, autonomy, and experience. The question accomplished people now ask is not where to live to signal success but how to structure a life that maximizes meaningful time. The Southeast answers that question more authentically than an aging Northeast suburb, and the second-chapter narrative resonates hardest with households between 45 and 70.

GREENVILLE, SOUTH CAROLINA · THE WALKABLE MODEL CITY OF THE MIGRATION

CHAPTER TWO

Who is moving.

The migration is not monolithic. Four buyer profiles dominate, and they behave differently enough that averages mislead.

PROFILE 1 · THE EXECUTIVE SECOND-HOME BUYER

Age 45 to 60, C-suite or managing partner, income $750K to $3M+. Acquires a $2M to $5M second home intending dual residency, then sells the Northeast primary within about three years as the tax and lifestyle math becomes undeniable. Buys move-in-ready homes in established communities. Highest transaction values, and the primary private-club candidate.

PROFILE 2 · THE SEMI-RETIRED ENTREPRENEUR

Age 55 to 70, exited owner with a liquidity event in the past five years, net worth $10M to $100M+. Deliberate timeline, often 24 to 48 months; frequently buys premium land first and builds custom. Drives architectural fees and construction spending, then becomes a community and club leader within a few years.

PROFILE 3 · THE LEGACY-FOCUSED FAMILY

Age 40 to 55 with school-age children. Relocates the whole household rather than testing with a second home; schools, community fit, and outdoor life drive the decision inside 6 to 18 months. Buys established family homes on land in school-premium neighborhoods, typically $1.2M to $4M.

PROFILE 4 · THE LIFESTYLE RETIREE

Age 60 to 80, downsizing from a $3M to $8M Northeast residence into an $800K to $3M Southeast home, freeing capital along the way. Values low maintenance, healthcare access, and a full social calendar. A reliable, sustained spender and a frequent philanthropic anchor.

The professional read: the second-home buyer of today is the primary-residence client of two to four years from now. Transaction pattern analysis puts the conversion rate at half or better within four years. Anyone advising these households should treat the first purchase as the beginning of the relationship, not the transaction.

CHAPTER THREE

Where they are going.

The migration concentrates. Five destination markets absorb most of the premium flow, and each rewards a different life.

Lake Keowee and The Cliffs

The Cliffs is a network of seven club communities under one membership, spanning the Blue Ridge foothills and the shore of Lake Keowee: Keowee Springs, Keowee Falls, Keowee Vineyards, Mountain Park, Valley, Glassy, and Walnut Cove. Together with the lake's independent communities such as The Reserve at Lake Keowee, this is the largest concentration of premium lifestyle real estate in the Upstate. The product is alpine-clear water at 800 feet of elevation with mountain golf an hour away, homes from roughly $1M into the eight figures, and club infrastructure that four Golfweek 2026 Top 200 Residential rankings just validated. Mid-2026 market state: inventory is the loosest it has been in several years, which restores buyer choice, while the ceiling holds firm, evidenced by a recent $10 million waterfront sale. Dockable shoreline remains the scarcest asset class on the lake.

The Highlands-Cashiers Plateau

Highlands, North Carolina sits at 4,118 feet, the highest incorporated town east of the Mississippi, and the plateau's 15 to 20 degree summer differential is the original argument. A historic summer-colony market has matured into a year-round one as broadband, healthcare, and dining caught up. The club hierarchy, Wade Hampton, Old Edwards, Mountaintop, and High Hampton, structures the social landscape, with waitlists measured in years. Inventory is genuinely scarce: a few hundred transactions a year across the whole plateau, land above $300K per acre in premium positions, and pronounced seasonality that gives winter buyers leverage and summer sellers pricing power.

Greenville

Greenville crossed one million metro residents in the March 2026 census release, the first metro in South Carolina history to do so, and it remains the prototype of the walkable Southern city: an award-winning downtown, the Blue Ridge 45 minutes away, and a corporate base that keeps deepening. The city has now committed to a $500 million conference district beside Falls Park with a luxury hotel tower, while GSP airport invests through the cycle. Premium neighborhoods run from North Main and Augusta Road to Chanticleer, with the deepest transaction volume of any Upstate market above $1 million.

Charleston and the Lowcountry

Charleston is the migration's prestige market, and it keeps setting its own records: 53 downtown sales at $2 million and above in the first quarter of 2026 against 32 a year earlier, on the heels of the $21.6 million Casper Christian Schutt House sale, the city's highest ever. South of Broad remains the trophy tier; the tech and aerospace economy, including Boeing's consolidation of its 787 engineering unit in

North Charleston, keeps feeding the top of the market. Kiawah and Isle of Palms carry the island lifestyle, while Bluffton and Palmetto Bluff anchor the managed-resort model further south, where a newly funded six-lane bridge to Hilton Head and a hospital buildout are quietly upgrading the daily arithmetic of Lowcountry life.

CHARLESTON · THE MIGRATION'S PRESTIGE MARKET

CHAPTER FOUR

The Southern Dividend, quantified.

The representative case: a household with $1 million in annual income and a $2.5 million primary residence. Top statutory rates are used for comparability; your effective numbers will differ, and the direction will not.

Component	New York	California	North Carolina	South Carolina	Florida
State income tax, top rate	10.9% (+ up to 3.876% NYC)	13.3% (14.4% on wages over $1M)	3.99% flat	1.99% / 5.21% (H.4216)	0%
Indicative tax on $1M income	about $109,000	about $133,000	about $39,900	about $51,100	$0
Indicative property tax on a $2.5M primary residence	about $41,000 (Westchester, 1.65% median effective)	about $7,500 (Prop 13 assessment effects)	about $17,500	about $15,000 to $20,000 (4% owner-occupied ratio, school operating millage exempt)	about $20,000
Indicative annual burden	about $150,000	about $140,500	about $57,400	about $68,600	about $20,000
Annual savings vs. New York		about $9,500	about $92,900	about $81,700	about $130,300

Method notes: income figures apply top statutory rates for comparability; South Carolina reflects the H.4216 two-bracket structure (5.21 percent less the $966 adjustment). Property figures are representative effective outcomes on high-value homes, not quotes; South Carolina's 4 percent owner-occupied assessment ratio and school operating millage exemption are the structural reason its line is low. None of this is tax advice; run your own scenario with your CPA.

$800K to $1.3M

Ten-year preserved capital for the representative household relocating from New York to the Carolinas or Florida, before investment returns on the savings.

The dividend extends past taxes. Healthcare, dining, services, and household help run meaningfully cheaper in Southeast metros than in New York, Boston, or San Francisco; for a $1 million income household these lifestyle differentials commonly add tens of thousands of dollars a year. And under H.4216, the South Carolina line improves further every time the revenue trigger fires. Relocation is not a lifestyle choice made despite financial sacrifice. It is a wealth strategy that happens to come with better weather and a shorter line at the marina.

Run your own numbers, against all six markets we cover, at southernescapes.com/tax-alpha.html.

CHAPTER FIVE

Second homes becoming primary.

The most consequential pattern in the market is deliberate, and it runs on a four-year clock.

> **YEAR ONE · THE TEST**
>
> Eight to ten weekends. The buyer evaluates the community, tests the lifestyle fit, and starts relationships. The house is a hypothesis.

> **YEAR TWO · THE SEASON**
>
> Extended summers, twelve to sixteen weeks, with remote work woven in. The household learns what an ordinary Tuesday feels like.

> **YEAR THREE · THE DOMICILE**
>
> The 183-day threshold is crossed deliberately and tax residency moves. The Southern Dividend starts compounding.

> **YEAR FOUR · THE FLIP**
>
> The Northeast property is sold or demoted to the second home. Clubs, schools, and friendships have already made the decision.

The pattern exists because it removes risk from a binary decision, lets families acclimate across school summers, and lets executives restructure professional arrangements gradually. The market implication: second-home purchases are the leading indicator of primary migration, and premium second-home demand is less price-sensitive than the broader market, which supports pricing through cycles.

CHAPTER SIX

What comes next.

The structural drivers show no sign of reversing. Expect acceleration, with three constraints worth respecting.

Acceleration. Awareness has reached critical mass; relocated households validate the decision for their networks, and professional life now spans both regions as a matter of course. The 2026 census releases, South Carolina first in growth rate and North Carolina first in domestic migration, will themselves recruit the next wave.

Inventory constraints. The premium communities cannot manufacture more of themselves. Keowee's dockable shoreline, the plateau's few hundred annual transactions, and Charleston's finite peninsula mean scarcity does the appreciating in the top tier. Early movers get both current pricing and selection; a five-year wait-and-see approach risks facing neither.

Club scarcity. The marquee clubs are at or near capacity, with waitlists measured in years. Because the club is the social anchor of community integration, club availability should be treated as a decisive factor, not an amenity line item. Homes carrying eligible memberships already command premiums over otherwise comparable homes without them.

The policy caveat, stated honestly. The arithmetic depends on current law. Federal tax changes or Northeast rate cuts would narrow the spread; the political structure of high-tax state budgets makes the second unlikely. South Carolina's trigger mechanism, if anything, is built to widen the gap without another vote.

Considering the move?

Start with the math: the Tax Alpha Calculator at southernescapes.com runs your household against all six markets we cover. Then read the Locals Only field guides, thirty communities scored out of 100. When you are ready for a conversation, an Advisory Conversation is thirty minutes, no pitch: calendly.com/damianhallgroup.

ABOUT

Southern Escapes.

Southern Escapes is the luxury relocation intelligence platform of Damian Hall Group, the principal-led team operating under Blackstream | Christie's International Real Estate, with Damian Hall ranked among the Top 30 worldwide in the Christie's International Real Estate network. We publish The Southern Ledger, the Tuesday intelligence brief; The Weekend Escape, the Saturday letter; the Locals Only field guides covering thirty communities across seven regions, each with a Southern Escapes Score; The Pulse, a weekly curated intelligence feed; and the Tax Alpha Calculator and Lifestyle Match Quiz at southernescapes.com. Beyond the editorial, we advise relocating households directly: strategy conversations, custom intelligence briefs, and community introductions across the six markets we cover.

Our editorial standard is simple: numbers over adjectives, sources over vibes, and nothing fictitious. Where a figure could not be verified, it was cut. Contact: Damian Hall, Founder and Chief Relocation Officer, dh@damianhallgroup.com.

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