

Buyers playing a waiting game for best deals

Shandon Fowler is prepared to rent while itching to get into a house of his own. The New Jersey resident plans to move soon to Charleston with his wife and infant son for a change of lifestyle. But even though the couple can afford to buy a house now, they plan to rent as they learn the layout of the Lowcountry and watch for the local real estate market's next move. "Our hope is that the prices come down and we can get more for our money," he said. The Fowlers are like hundreds, if not thousands, of other potential buyers who are waiting on the sidelines to see whether real estate values in Charleston will drop. For more than 18 months, the market has shown signs of weakness. And basic economics suggests that after a significant drop-off in sales, prices quickly would follow, especially in a market where more than 10,000 sellers are courting an increasingly limited pool of buyers. But that's not the case, at least not across the entire market. So far this year, the median sales price for the Charleston region actually has risen by nearly 2 percent to \$210,000, while home sales tracked by the local real estate industry's main trade group are off 20 percent through September compared with the same period of 2006. To a limited degree, sellers have been cutting prices on existing homes in nearly all of the 36 zones where the Charleston Trident Association of Realtors follows sales through its Multiple Listing Service database. But in a few places, including a section of West Ashley, the level of discounting has reached the point where the median prices for those specific areas has fallen, according to MLS data. Among the reasons: Sellers of existing homes are being forced to compete with deep discounts and incentives offered in brand-new nearby developments. It's anyone's guess what will happen to prices ahead of a market recovery, which the National Association of Realtors expects to happen at the national level late next year. Meanwhile, the Fowlers and other would-be buyers will wait patiently, trying to time the bottom of the market before jumping on the best deals. "It's certainly a buyer's market, but there is absolutely no urgency on them to buy a house," said Tom Guidera, a Mount Pleasant-based broker with Prudential Carolina Real Estate. "They see a soft market. They see sellers reducing their prices daily. ... They are not worried about interest rates, and they have time on their side. So why not wait?"

By Katy Stech The Post and Courier Sunday, October 28, 2007