

## Lowcountry Home Sales

Lowcountry home sales down; prices stable  
June 11, 2008

By Katy Stech (Contact)

The Post and Courier Wednesday,

Charleston's residential real estate market limped through May, recording far fewer home sales than a year ago, but prices remained stable. A total of 820 homes sold in the region last month, a drop of 30 percent compared with the same month last year. The year-over-year decline is consistent with the previous four months of this year, according to the figures from the Charleston Trident Association of Realtors. Even so, the median price for the homes that changed hands in May edged up 1.9 percent to \$214,000, defying the widespread notion that sellers have been cutting prices across the board. "I'm shocked," said Billy Simons of Trident Real Estate. "The buyers I've been working with, I've found that they've gotten some exceptional buys." He pointed to a Goose Creek couple who closed on a home in North Charleston's up-and-coming Park Circle neighborhood for \$225,000. An appraisal had put that house's value at \$275,000. Simons, who specializes in the North Area, said he has seen the most activity on homes that are priced lower than \$200,000. "The ones above that, I'm fighting for," he said. While the credit markets have tightened up, making it harder for buyers with questionable credit to get a loan, first-time buyers with good credit and low debt still are able to qualify for a mortgage, Simons added. Some potential buyers who do face credit challenges still have managed to move into a home through a lease-option, said Joe Eddleman, a Mount Pleasant-based real estate agent with AgentOwned Realty. Homeowners eager to sell have been increasingly open to a lease-option agreement, in which a buyer makes a large down payment and rents a property while promising to buy it at a later date, he said. The arrangement gives potential purchasers a chance to fix their credit or wait for mortgage companies to loosen their lending standards a bit. Eddleman added that interest seems to be up from potential out-of-town buyers based on traffic on his Web site. He said more people from out of state have clicked on his site in the past few weeks than during all of last year. But while out-of-town buyers might stabilize the Charleston real estate market in the long run, they might not help much with the current slowdown, which began in early 2006. Eddleman said buyers from the Midwest or Northeast often move to the Lowcountry on their own terms, meaning they are not relocating to take a job or because of some other commitment. As a result, they can take their time and wait to see how low home prices fall locally. Also, they might have a hard time selling their existing home. "They have flexibility as to when they are going to come," he said. Eddleman speculated that the activity that he's seen on the Web site is from people who are doing their homework now so they will be prepared when they are ready to move. He advised anyone who is trying to sell to set a reasonable price and keep the home clean. Also, sellers should include multiple, high-quality pictures of their properties online because most prospective buyers, both locally and elsewhere, search the Internet extensively before asking for a tour, Eddleman said. With the number of local homes for sale near record levels, a total of 10,963 as of Tuesday, those who are in the market can easily rule out properties. "They are going to eliminate the homes that don't look good on paper," Eddleman said.