

The Post and Courier

Looking Affordable

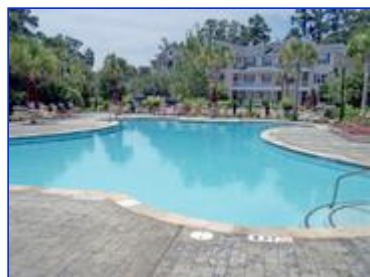
Charleston area has abundance of alluring dwellings priced at \$250,000 or less

By Jim Parker
The Post and Courier
Saturday, July 18, 2009



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This house in Paddock Pointe is priced at \$169,000. Close to three in every four homes sold this year in the Charleston area are \$250,000 and below.



Provided

A swimming pool is one of the amenities at Indigo Hall, a new condominium neighborhood on Johns Island. Units start in price at \$199,900.



Provided

The LeConte model is one of the floor plans from Clayton Homes manufactured housing company, which has seen steady business locally in 2009.



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Cattails rise from a pond in Paddock Pointe, a new Ladson neighborhood from Harbor Homes where houses are priced from the \$130,000s and up.

Travel streets from Summerville to Johns Island, east of the Cooper to west of the Ashley. About two of every three houses last year were valued at \$250,000 or less; now, make that three of four.

The example is not entirely on the mark: Home values tend to collect by neighborhood so some are much more expensive and others well below that threshold.

But there's no denying that a staggering 74 percent of dwellings are selling for \$250,000 or less currently in the Charleston area, compared with 68 percent in 2008, according to Charleston Trident Association of Realtors' Multiple Listing Service figures.

Looked at another way, 740 of every 1,000 home sales were at prices of \$250,000 or less, compared with 680 of every 1,000 a year earlier.

What makes the figures more remarkable is there aren't as many lower-priced homes on the market as higher-priced ones. Just 45 percent of "currently active" homes are for sale below \$260,000. Where the average stay on the market is 114 days, properties at or below \$260,000 average 95 to 114 days while higher-priced dwellings range from 53 to 244 days.

Add that mortgage rates remain low and first-time homebuyers can earn an \$8,000 tax credit, and this may be the best climate in years – and for years to come – to purchase a house, condo or townhome at a reasonable cost.

A countrywide survey backs that assessment. According to a National Home Builders Association and Wells Fargo survey, 72.5 percent of homes sold were affordable to people earning the median national income of \$64,000. That is the highest affordability rate since totals were first collected 18 years ago.

"What's happening is the affordability is excellent, because there's such low prices," says Patty Scarafie, chief executive of Carolina One Real Estate. "Interest rates are low. Add the \$8,000

first time homebuyer credit – it’s just huge.”

A range of age groups and income brackets are interested in more moderately priced homes.

“I have so many retirees contacting me out of state who want three bedrooms, two baths, one-story under \$250,000,” says Debra Whitfield, Realtor with Coldwell Banker United, Realty and senior real estate specialist.

She is worried that in places such as Mount Pleasant, where costs are higher, there is not enough housing stock for people looking for lower-priced homes. Many seniors are on fixed incomes, which makes it more difficult to be flexible in home purchases.

“This demand is going to continue. We are just on the verge,” Whitfield says.

Two groups account for much of the growth in the sale of homes valued at from \$250,000 or less, Scarafile says.

“I think you get first time homebuyers who say, ‘oh my gosh,’ I couldn’t afford to buy a home.” But times have changed, and monthly mortgage payments are no more than rental payments, she says. A second segment are families who are moving up to a larger, or more perk-filled home.

“You may have to be more competitive in the sale of your home, but you more than make up (for it) on the home buyer value and interest rate,” Scarafile says.

Perusers can buy more home for less money. Take, for example, a two-story brick and vinyl-sided house built by Harbor Homes in Ladson’s Paddock Pointe neighborhood. The 2,344-square-foot, four-bedroom home is for sale for \$169,000, or less than \$80 a square foot.

Shoppers can look at neighborhoods that may have been out of their income range before, such as peninsula Charleston. Sharon Bruner with Keller Williams Realty is listing a three-bedroom house on Drake Street, an evolving area, for \$209,000. Indigo Hall, new condos overlooking a Johns Island golf course and minutes from the Atlantic Ocean, start at \$199,900. “They are great for the first-time buyer market,” says Joe Salvo, broker-in-charge of Seabrook Island Real Estate.

In some cases, a cost-saving alternative to a “stick-built” home is a modular or manufactured house.

“It’s going really good,” says Allison Blankenship, the local general manager of national company Clayton Homes. “You get more square footage for less money.”

Buyers are looking for deals as a result of the slow economy. “I think people out there are seeing that retirement is not as much as it was before,” she says.

Manufactured homes start in the \$40,000s for a single-wide trailer and run up to the \$300,000s or more for double-wide homes and modular structures up to 4,000 square feet, she says.

“We are very versatile,” Blankenship says.

A segment of the \$250,000 and under market is purchasing homes for the first time. They can still cash in on a \$8,000 federal tax credit. But they shouldn’t dally. Sales must close on or

before Nov. 30.

Even though it's a buyers market, shoppers should act prudently, Scarafile says. Her advice? "I would encourage them to find a real good competitive real estate professional who knows the market, get qualified financially and take advantage of the market."

Reach **Jim Parker** at 937-5542 or jparker@postandcourier.com.

HOUSING AFFORDABILITY

It's a buyer's market in the Charleston area as home prices are on the decline. Here are the latest figures from respected real estate tracker Market Opportunity Research Enterprises, based in Rocky Mount, N.C.

Average price of Charleston-area home closings (as of March 31): \$278,687

Average price (as of March 31, 2008): \$307,791

Median price (as of March 31): \$187,380

Median price (as of March 31, 2008): \$202,000

Average sale price as of March 31 by type of home:

Single family: \$281,070

Condominium: \$345,869

Townhome: \$165,939

Average price as of March 31 by type of sale:

New: \$255,956

Resale: \$290,295

Average price as of March 31 by county:

Berkeley: \$201,392

Dorchester: \$177,509

Charleston: \$367,198

Source: Market Opportunity Research Enterprises

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