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Waterfront living in and around Charleston

BY ROBIN GIBSON SPECIAL TO THE POST AND COURIER

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38 Morgan Place in Wild Dunes at Isle of Palms has two boat slips and views of the IOP Marina. The property that closed in June of 2021 was listed by Darlene Smith of Carolina One Real Estate. Provided

“Some of the most beautiful and intriguing properties in the Lowcountry of Charleston are the deep-water and waterfront options that exist here. We are so fortunate to have many types to enjoy, with oceanfront opportunities from Isle of Palms to Sullivan’s Island, to the west islands of Kiawah and Seabrook, and everything in between,” said Darlene Smith, broker-associate for Carolina One Real Estate, when expressing her affinity for what the area offers. “Sailing, watersports, fishing and cruising on the waterway are all exceptional ways to view the coastline and spend time in the Lowcountry.”



Smith

She further highlighted how the Intra-Coastal Waterway, or ICW, and rivers like the Ashley, Cooper and Wando provide navigable entry to the Atlantic Ocean, as well as private and public boat launching opportunities, and

docks for recreation. But Smith is not the only agent touting waterfront living. Three others who are just as enthusiastic weigh in on the state of the market here.

Waterfront activity and primary versus secondary homes

Is the Lowcountry seeing an increase in waterfront home sales? Are they primary residences or secondary vacation homes? Huger Sinkler, II, a rural land and residential specialist at Holcombe, Fair & Lane, thinks so. “Yes, we are seeing an increase. In fact, we have had a 43 percent increase in these types of transactions since 2018 with most of these being residential and the balance being vacant parcels.”





Gelber

Greg Gelber, a Realtor at AgentOwned Realty, elaborated further by detailing what he and his teammate, fellow Realtor Bryan Thompson, have been experiencing these last few years.

“We have been working with dozens of buyers who are interested in waterfront property. The majority are coming from other states — primarily New York, New Jersey and California — and are switching their full-time residences to South Carolina,” he said. “Waterfront properties in the Lowcountry, and Charleston County, specifically, have, on average, increased significantly in value while the total number of home sales have decreased due to a lack of new listing activity.”

Gelber also noted the role that investors are playing.

“There has been a lot of investor activity with properties on or close to the beach over the last few years due to the surging demand in short-term vacation rentals,” he said,

before adding, “Folly Beach and Isle of Palms are more lenient with short-term rentals which allow an investor to maximize their cash flow and rate of return relative to a long-term (12-month) rental.”

Meanwhile, Bobby Shealy, an agent with ERA Wilder Realty, is not seeing any one type of property purchase outweighing the other. “Personally, I am seeing about 50/50 split when it comes to the sale of secondary or vacation homes versus primary residences,” he said.

As for an overall increase in waterfront home sales, he is also split.

“That is a yes and a no. From September 23, 2020, to September 23, 2021, we saw an average sales price increase of about 17 percent in waterfront homes across the board. There were 216 properties that sold during this time frame in 2020 for an average sales price of \$1,325,000. For the same period in 2021, we had 160 properties sell with an average sales price of \$1,552,000. The number of sales compared to the same time frame

last year have gone down due to our limited inventory, but properties are selling at a higher price now with fewer days on the market. Properties have been selling at around 448 per square foot compared to 386 per square foot last year,” Shealy said.

And the award for most desirable goes to...

Of the waterfront areas that exist, and determining which ones are currently the most desirable and why, Sinkler pointed to the recent sales data that shows Mount Pleasant and Johns Island as being the hottest areas this past year.

“Well, based on 2021 sales, Mount Pleasant and Johns Island are the most active markets,” he said. “However, Kiawah, Seabrook and Sullivan’s continue to be some of the more desirable areas here locally.”

Tidal creek and riverfront properties have seen the biggest increase in sales year over year.

“Some of the more active areas are tidal creeks in Mt. Pleasant, Johns Island and Edisto,” he added.



Sunset view from deep-water dock at 3990 Betsy Kerrison Parkway on Johns Island listed for sale by Holcombe, Fair & Lane’s Huger Sinkler, II. The property boasts over 12 acres of vacant land and nearly 280 feet of shoreline near Bohicket Marina. Provided

Sinkler’s vacant land waterfront listing on a tidal creek with acreage is indicative of Johns Island’s appeal.

With nearly 280 feet of shoreline included on the 12.82 acres for sale, the property at 3990 Betsy Kerrison Parkway is suitable for building a private home estate or it can be subdivided into as many as 12 one-acre-minimum size lots for development. Co-listed with Hannah Geiger of The Exchange Company, the listing includes a deep-water dock with seven feet of water at low tide, has easy access to the ocean and Bohicket Marina, and offers a natural habitat for an abundance of wildlife with plenty of mature oak trees.

AgentOwned Realty's Gelber sees each area as having its own unique appeal.

“The majority of waterfront communities in the Lowcountry are extremely desirable right now,” he said. “It really just comes down to why you want to live on the water — whether it is for boating, fishing, surfing or incredible views, etcetera — and the location of the neighborhood or community. Folly Beach, for example, is

one of the better beaches for surfing, Kiawah Island is known for its privacy and golf courses, and Sullivan's is known for its history and charming downtown.”





Shealy

Shealy is also an equal opportunist in terms of desirability but does point to specifics about different areas.

“Sullivan’s Island saw an increase in median sales price of 26.7 percent. Kiawah Island’s median sales price, meanwhile, experienced an increase of 43.4 percent. Daniel Island saw similar numbers with an increase in median sales price of 45.9 percent, as did the Isle of Palms where the median sales price increase came in at 43.8 percent,” he said.

He also sees a possible tax advantage as drawing many out of towners who are jumping on the opportunity to purchase waterfront properties.

“The market trend supports the higher prices, and many buyers are purchasing in the event prices continue to increase,” he said, before adding, “I think our market may

slow down but the higher prices are here to stay. Everyone wants to own a home in this area due to Charleston's many accolades of being a great city with the food scene, the arts, history and the beaches.”

Besides waterfront, what turns buyers on

Sinkler pointed out that a waterfront location is not the only attribute home buyers are seeking. When pressed about the added amenities that remain at the top of each of his clients' lists, he quickly added, “outdoor living spaces for sure. Porches, decks, and outdoor entertaining areas are important.”

Shealy agreed, weighing in by adding that, “gourmet kitchens and big, updated and spacious bathrooms are definitely on the list as well as fabulous outdoor spaces such as outdoor kitchens, living areas and pools.”



Views for days inside 319 E. Arctic Ave. on Folly Beach listed by Bobby Shealy at ERA Wilder Realty. The \$1,935,000 purchase price helped surrounding comparable waterfront properties surpass the \$2,000,000 mark. Provided

Gelber also highlighted the significant role docks and water, itself, are playing in what clients are seeking.

“A lot of waterfront buyers we have worked with recently want a dock on a navigable waterway. These properties are typically located off rivers, creeks and marshes throughout the Lowcountry. Having a navigable waterway during low tide is highly favored. Some of the

most desirable communities that offer this are off the Stono, Ashley and Cooper Rivers, and the Intracoastal Waterway,” he said.

Meanwhile, Gelber’s recent listing on Folly Beach illustrates how proximity to water and ease of beach access are appealing factors. The 1,248-square-foot one-story beach house with two bedrooms and two baths at 608 E. Arctic Ave. that went to a cash buyer for \$890,000 in August of 2021 has been re-listed and is available for sale again at \$1,200,000 — a 34 percent increase in Gelber’s contracted sale price.

Carolina One’s Smith spoke to marina access as being a popular selling point.

“The local deep-water marinas that grace our neighborhoods are in such high demand and always increasing. It is part of our heritage to explore these pristine waters with fishing, crabbing, shrimping, exploring oyster beds for select oysters, or just to simply explore the South Carolina coastline,” she said.

Her listing that closed last June certainly fits that bill. 38 Morgan Place in Wild Dunes at Isle of Palms is a four-bedroom, three-bath, 3,054-square-foot home overlooking two 40-foot boat slips on Morgan Creek with marina views from the third-floor deck.

Waterfront property considerations



Sinkler

Buying or selling real estate with property lines that border bodies of water bring with it a level of ability and exposure that agents who specialize in it can deliver from professional guidance, training and experience. Sinkler, for example, advises those he represents to consider all aspects of the waterfront property beyond the obvious.

“Definitely, the elevation of the land is paramount,” he explained, referring to its flood zone. “But, beyond that, so are the adjacent properties and those within your view corridor. The basic considerations, of course, are views, quality of water access, and the orientation for sunsets and wind direction.”

For Gelber, it is important for buyers to do their due diligence before closing on waterfront property.

“You will want to confirm how much, if any of it, is wetlands; pull dock permits; check to see if there have been any previous flood claims and obtain an elevation certificate if the existing owner does not have one on file,”

he said. “Buyers should also confirm the water depth at low tide and whether the navigability of the waterway meets their boating needs.”

He does not stop there and brings up flood insurance.

“Additionally, recent changes to the national flood insurance program, mainly in the form of increased costs, often make it attractive for buyers to consider assuming the seller’s current flood insurance policy. So,” Gelber explains, “it is important to confirm if that is an available option, and, if so, the cost of that policy, and what its terms and coverage are.” Like Sinkler, he believes, too, that buyers should know which direction the home faces, or will face, to determine views during sunrise, sunsets and throughout the day.

Shealy reiterated the importance of flood insurance involving waterfront property. “First and foremost,” he said, “that is key, and, also, if the property has flooded in past storms or heavy rains.”



AgentOwned Realty Co.'s Greg Gelber's listing at 608 E. Arctic Ave., Folly Beach, closed with a cash buyer in August. The house is back on the market again with a 34 percent price increase.

Beyond that, if it is on a river or creek, it's also important to figure out if a dock permit can be obtained. Shealy's expertise is clear in two recent transactions.

“31 Yacht Harbor Court, a four-bedroom, three-bath, 2,400-square foot house on the Marina at Isle of Palms’ Wild Dunes closed at \$1,780,000. At Folly Beach, 319 E. Arctic Ave., a 3,050-square-foot house with four

bedrooms, three baths and its own private walkway to the beach, sold at \$1,935,000 helping raise the comps for oceanfront homes to now easily pass the \$2 million mark,” he said.

Smith pointed out that the Department of Health and Environmental Control (DHEC) has a say where dock construction is considered.

“If you have the desire and want to build a dock on a deep-water lot, you will need to obtain a permit from DHEC with the proper requirements. It can be a wonderful addition to the property by increasing its property value and making it more desirable,” she said.

A matter of taste

“Our shores are dotted with waterfront homes, deep-water lots and nature, as well barrier islands beyond Charleston’s borders with everything from a basic cottage on Goat Island to exquisite homes on Dewees Island,” said Smith speaking to the demand and “the tranquility of waterfront property.”

Whether oceanfront, second row, riverfront, or on a tidal creek, whether at a marina, or on an island only accessible by boat, Smith reminded us how fortunate we are and how highly desirable it is to have these waterways to explore and experience.