

House & Home

Southern ascent

Charleston is on the rise as a high-tech hub



Elegant antebellum-style homes in the Historic District of Charleston, South Carolina

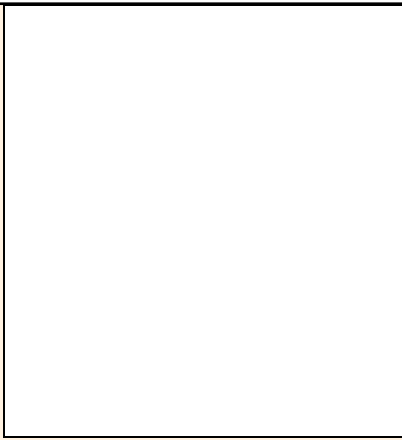
Charleston may be the 75th largest metropolitan area in the US but this historic city on South Carolina's Ashley River has always punched far above its weight. It is home to a mere 125,000 people but has been declared everything from one of the "best-dressed" to "most hospitable" cities in America by magazines nationwide. Surrounded by water and steeped in history, its mix of architecture, culture and cuisine rivals that of far larger cities such as Boston or San Francisco.

Beyond the accolades, Charleston is emerging as a southern centre of industriousness as increasing numbers of young creatives – often with families in tow – come to settle here. Equal parts big-city refugees and wayward southern sons, they are arriving both for the sunny skies and nearby beaches, and to participate in the city's thriving high-tech sector.

[editorial]



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According to the Charleston Regional Development Alliance, Charleston is one of the US's 10 fastest-growing cities for software development and internet technology. The Charleston Digital Corridor (CDG), a trade group, lists almost 250 small-scale high-tech firms in the area. Bolstered by local branches of blue-chip companies such as Boeing and Google, Charleston was the ninth best-performing city in the US for job creation and economic growth in 2012, according to think-tank the Milken Institute. With its knowledge

economy having grown by almost 40 per cent since 2008, the area has been called America's "Silicon Harbor".

Charleston's high-tech ascent has come at a welcome moment for its still-fragile property sector, which was hit hard by the 2008 recession. "We sustained a decline between 25 and 35 per cent at the highest end of the market – homes priced above \$5m," says Daniel Ravenel, founder of local Sotheby's affiliate Daniel Ravenel Real Estate. Prices of prime properties are now returning to the \$500 per sq ft mark but "the market remains sluggish," he says, "though it has begun to recover – particularly at the middle and lower ends."



Helping that recovery is Charleston's mix of antebellum architecture and southern-style easy living. Both are most grandly realised in the Historic District south of Broad Street, where meticulously preserved and landmarked federal, Georgian and Victorian revival homes line grid-like streets and tiny alleyways dotted with manicured Palmetto trees. The homes here are reminiscent of Brooklyn's brownstones or San Francisco's colourful Victorians

for their architectural elegance and often extensive gardens.

Ravenel's south-of-Broad Street listings range from a nine-bedroom, 17,000 sq ft, 205-year-old compound for \$19.995m to a four-bedroom, 5,000 sq ft family home, built in 1822, for \$2.79m. At such prices, south-of-Broad properties have typically lured retirees or holiday homeowners, says Ravenel. Most buyers come from the Midwest and east coast, although Californians and even Europeans are now entering the market. And while upmarket "turnkey-style" condominiums are being developed in the Historic District, buyers traditionally prefer to purchase first and renovate later.

Meredith Lardie moved to the city from Venice Beach, California, last year when her husband, a retail executive, was transferred to neighbouring North Carolina. They bought a 3,500 sq ft Victorian home listed at \$1.595m, which they are renovating.

“We wanted a historic home, close to good restaurants, and the ability to walk or ride our bikes everywhere, so south of Broad made complete sense,” says Lardie. “And because the area is so well preserved and construction so regulated, homes there are more likely to retain their value.”



This nine-bedroom, 205-year-old compound is for sale at \$19.995m

At the opposite end of the market are buyers such as Cator Sparks, an Atlanta native who studied at the College of Charleston before moving to Manhattan in 1999. Last year, Sparks bought a three-bedroom 1890s home for \$390,000 in the ascendant Cannonborough district. Cannonborough, along with neighbouring Elliotborough, is a historically working-class area that is attracting younger buyers as well as tech-industry arrivals, who are drawn by its independent boutiques and restaurants along the nearby Upper King Street corridor.

For now, homes in Cannonborough are priced roughly 30 per cent lower than the south-of-Broad area, says agent Carter Rowson of the Cassina Group. But as Cannonborough's profile rises, he adds, “the

area is shifting from a buyers' market to a sellers' market, and homes in good condition are now selling fast.” Rowson's Cannonborough listings include a 2,600 sq ft four-bedroom home dating from 1835 for \$449,999 and an eight-bedroom home from the same period for \$1.58m.

With Cannonborough quickly reaching the gentrification “tipping point”, developers are already looking north along Charleston peninsula. Mixson, for instance, is a mixed residential/retail/recreational project 15 minutes north of Cannonborough with almost 550 rental and ownership units anchored by a club house, pool and social club. Some homes are already completed – others will be finished next year – and will be priced between \$170,000 and \$400,000 for residences ranging from 1,000 sq ft to 2,500 sq ft.

Michael Phillips, chief operating officer of Mixson developer Jamestown Properties, hopes this choice of sizes and prices will encourage the kind of racially and economically diverse community still lacking in much of Charleston. As a major slave port and centre of the Civil War, Charleston's tangled racial history still defines much of its cultural fabric.

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