

## Area Building

Special reviews from Strategic Marketing Group newsletters

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Issues of Growth and Development Series



### Review of Newsletter

Some of the highlights of this issue:

- **City/County Planning Commission.** Five campsites; two churches; Villages of Urbana building height increase; four zoning text amendments (one on APFO); continuation for Hargett Farm; New Market Shopping Center; Shockley Honda expansion; Bershers property (21 lots on 36.7 acres), Main's Heights (clubhouse (59 lots on 16.7 acres), Preston (84 lots on 30.7 acres), and Aspen (14 SFD); and update for Thurmont Region Plan.
- **Age Restriction.** County Planners and business leaders believe the 5,500 approved age-restricted units are just enough to cover expected growth.

- **Brunswick Development.** Brunswick Crossings will start soon, could further spur economic development in the City.
- **Fort Detrick Conference Center.** A \$50 million contract for an Enhanced Use Lease has been signed for 24 acres near the Nallin Farm. It is a partnership between Pittsburg-based Dick Corporation and El Paso, Texas based Hunt Development Group. Other participants include some area firms — the Landings Real Estate group, The Lessard Group, Greenehorne & O'Mara, and Sodexo.
- Table 1 below compares Resales for May 2006 and May 2007. The resale market continues to slow — the average sales prices dropped for the first time (-1.42%). The total units sold has dropped -28.84% and the average days on the market remains high (116 days), but lower than last month at 131 days (it has increased 103.51% over last year). New home construction seems to be moving in Frederick, but at a slower pace.
- **Tables 2 & 3.** Frederick City is climbing somewhat and YTD has dropped from 511 to 333 for January-April. A real slowdown.

*Lynn Shanton*

Table 1. Residential Resale Pricing Comparisons (May 2007 and May 2006)

#### Resale Table Legend

TSDV = Total Sold Dollar Volume.  
ASP = Average Sales Price.  
MSP = Median Sales Price.  
TUS = Total Units Sold.  
ADM = Average Days on the Market.  
ALPS = Average List Price for Solds.

Variable	May-07	May-06	% Change
TSDV	\$92,325,595	\$131,608,481	-29.85%
ASP	\$349,718	\$354,740	-1.42%
MSP	\$323,950	\$321,000	0.92%
TUS	264	371	-28.84%
ADM	116	57	103.51%
ALPS	\$368,192	\$362,698	1.51%

Source. Metropolitan Regional Information System (May 2007)

Table 2. Frederick Housing Construction (April 2006-April 2007)

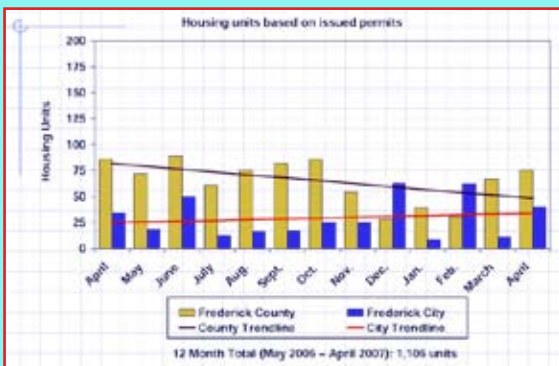


Table 3. Frederick Housing Construction Year to Date Comparison (2003-2007)

Current Month - April				YTD - January - April			
Year	County	City	Total	Year	County	City	Total
2007	75	40	115	2007	212	121	333
2006	86	34	120	2006	341	170	511
2005	82	20	102	2005	401	165	566
2004	94	24	118	2004	387	163	550
2003	98	12	110	2003	410	12	422
5 Year Avg.	87	26	113	5 Year Avg.	350	126	476

Sources. Frederick County Planning Department Website (June 2007) and Planning + Development News (June 2007)

## High End Homes

I have noted a large number of million dollar permits over the past few years. Small custom builders and some homeowners serving as contractors building large homes over \$500,000; few in existing subdivisions:

- **2006.** A total of 91 applicants for \$500,000+ permits for 1-4 homes.
- **2007.** From January through April, permit applications for a total of 42 homes.

Over half of the homebuilders came from outside Frederick County. Many were Frederick homeowners serving as their own general contractors on the permit.

So I decided to request information on assessed values for 2006-2007. The office suggested > 4,000 sf (high end homes) so we could be sure to have the million dollar homes built from 2000-2007. This is what we found:

- **Middletown Area** (Middletown north to Emmitsburg). Total \$338,543,960; average assessment was \$548,693.61 for 617 homes.
- **Urbana Area** (south of Frederick City, Brunswick to Mt. Airy). Total \$269,724,410; average assessment was \$642,200.98 for 420 homes.

Wow! For more information call me (301-831-6536). Frederick area is to be assessed next year.

### Large Homes — Middletown Assessment Area (2000-2006)

	House Value	Encl (sf)	\$/sf	Area	Total	Land
1	\$ 1,283,330	7,711	\$ 166.43	8.97	\$ 1,113,400	AG
2	\$ 1,206,500	7,515	\$ 160.55	24.86	\$ 1,298,800	AG
3	\$ 1,804,020	8,024	\$ 224.83	10.76	\$ 2,043,520	Res
4	\$ 1,602,690	10,057	\$ 159.36	1.85	\$ 1,771,190	Res
5	\$ 1,302,480	7,721	\$ 168.69	3.10	\$ 1,553,480	Res
6	\$ 1,158,360	6,224	\$ 186.11	4.19	\$ 1,334,310	Res
7	\$ 1,096,350	8,352	\$ 131.27	3.26	\$ 1,315,810	Res
8	\$ 1,076,680	4,604	\$ 233.86	8.56	\$ 1,274,480	Res
9	\$ 1,052,860	6,275	\$ 167.79	5.00	\$ 1,232,860	Res
10	\$ 1,007,980	5,744	\$ 175.48	2.23	\$ 1,292,580	Res
11	\$ 1,002,030	8,780	\$ 114.13	2.26	\$ 1,239,630	Res
	\$ 13,593,280	81,007	\$ 1,888.50	75.04	\$ 15,470,060	

### Large Homes — Urbana Assessment Area (2000-2007)

	House Value	Encl (sf)	\$/sf	Area	Total	Land
1	\$ 1,914,970	13,876	\$ 138.01	416.13	\$ 2,989,150	AG
2	\$ 1,838,690	7,515	\$ 244.67	24.85	\$ 2,005,990	AG
3	\$ 1,274,900	7,842	\$ 162.57	34.02	\$ 1,502,230	AG
4	\$ 1,211,270	7,070	\$ 171.33	177.44	\$ 1,856,550	AG
5	\$ 1,140,420	7,664	\$ 148.80	30.00	\$ 1,446,660	AG
6	\$ 1,104,330	10,869	\$ 101.60	49.04	\$ 1,311,830	AG
7	\$ 1,094,840	5,576	\$ 196.35	50.23	\$ 1,293,300	AG
8	\$ 1,005,010	6,144	\$ 163.58	287.65	\$ 1,488,180	AG
9	\$ 2,076,150	10,057	\$ 206.44	1.85	\$ 2,385,500	Res
10	\$ 1,342,170	5,987	\$ 224.18	13.26	\$ 1,723,170	Res
11	\$ 1,340,260	7,287	\$ 183.92	2.26	\$ 1,734,120	Res
12	\$ 1,280,880	6,215	\$ 206.09	1.39	\$ 1,665,170	Res
13	\$ 1,194,900	7,041	\$ 169.71	1.80	\$ 1,583,700	Res
14	\$ 1,144,600	6,840	\$ 167.34	2.42	\$ 1,540,220	Res
15	\$ 1,140,640	6,762	\$ 168.68	1.10	\$ 1,405,740	Res
16	\$ 1,112,360	5,760	\$ 193.12	2.54	\$ 1,509,300	Res
17	\$ 1,101,510	5,969	\$ 184.54	1.67	\$ 1,211,690	Res
18	\$ 1,038,340	6,761	\$ 153.58	1.23	\$ 1,204,420	Res
19	\$ 1,020,690	6,275	\$ 162.66	5.00	\$ 1,298,930	Res
20	\$ 1,016,000	4,912	\$ 206.84	5.40	\$ 1,233,000	Res
21	\$ 1,015,480	5,288	\$ 192.03	2.18	\$ 1,437,110	Res
	\$ 26,408,410	151,710	\$ 174.07	1,111.46	\$ 33,825,960	

Sources. Studis completed by Maryland State Assessors Office (May 2006 and June 2007)