

LAND Market Trends

Richmond, VA

A SURVEY OF THE RICHMOND LAND MARKET • SECOND QUARTER 2000

HENRICO CHANGES MINIMUM LOT SIZE REQUIREMENT

On April 26, 2000, it was announced that Henrico County had passed an amendment increasing the minimum lot size. How will this impact owners of land with development potential? Quite simply, it might cost them money . . . a lot of money.

Land developers are typically guided by a land yield formula. For example, under the old designation the minimum lot size was 7,750 square feet; now it is 11,000 square feet, or a 29½ percent increase in size and a corresponding decrease in lot yield. What this means to an owner of developable land is that the lot yield will be lower, which could potentially negatively impact the value of the tract of land.

Before this amendment passed, a 10-acre tract could potentially yield around 3 lots per acre, or 30 lots. Now, under the new amendment, a developer can only get around 20 to 25 lots, or a decrease of over 30 percent. If a purchase price is negotiated on a lot yield basis, then ultimately the land owner could lose up to 30 percent of the previous land value.

While County Manager Virgil R. Hazelett felt that this new ordinance would “improve the quality of development”, critics charged it would increase traffic congestion, increase home prices, and add to suburban sprawl.

Regardless of the politics or the arguments, this new ordinance has already cost some land owners a lot of money and will increase housing prices that will be passed on to the consumer.

Comparison of Minimum Lot Sizes

Henrico	11,000 SF
Chesterfield	9,000 SF
Hanover	8,000 SF
Richmond	±7,000 SF

Land Prices Next 6 Months



Office



Retail



Industrial



Multi-Family

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Transactions

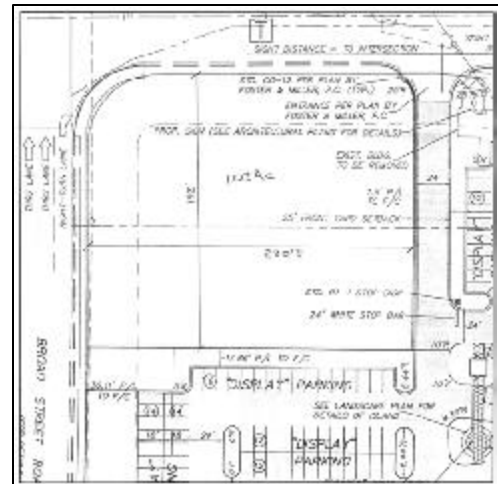
Richmond, VA Metro Area

SIZE	LOCATION	AGENT(S) INVOLVED
18 Acres	Gayton Rd & W. Broad St. (Henrico)	Sam Worley, Bill Mattox
40 Acres	Huguenot Road (Chesterfield)	Sam Worley
100 Acres	West Creek (Goochland)	Bill Mattox, Steve Gentil
5 Acres	Salisbury (Chesterfield)	Sam Worley
2.3 Acres	Lauderdale & Three Chopt Rd (Henrico)	Bill Mattox, Steve Gentil
1 Acre	Parham Road (Henrico)	Sam Worley
40 Acres	Commonwealth Centre Pkwy (Chesterfield)	Bill Mattox, Mike Lowry
69 Acres	Ashcake Road (Hanover)	Bill Mattox, David Williams
10 Acres	Hull Street Rd & Clintwood Rd (Chesterfield)	Bill Mattox
5.44 Acres	9724 Jefferson Davis Highway (Chesterfield)	Bill Mattox
67 Acres	Wagner Road & I-95 (Petersburg)	Bill Mattox

Other Transactions

Apartment Sale	1104-1106 W. Cary Street (Richmond)	Sam Worley
9,900 SF Lease	Chesterfield Air Park (Chesterfield)	Bruce Milam

Featured Listings



This ±3 acre site on Parham Road at the eastbound ramp off of I-64 is ideal for office development and priced at \$750,000. Contact Bruce Milam or Steve Gentil for more information.

This ±1 acre site on West Broad Street at North Gayton Road is in front of the new Dominion Chevrolet dealership and .25 mile west of the proposed Short Pump Town Center. It is zoned B-3C and is priced at \$1,000,000. Contact Bill Mattox or Sam Worley for more information.

EXCLUSIVE LAND

Listings

Partial Listing of Land Currently Available

Go to www.harrison-bates.com to view all listings including improved property.

LAND TYPE/SIZE LOCATION	CITY/COUNTY PRICE	CONTACT	COMMENTS
Commercial - 9.10 Acres Rt. 10 & I-295	Chesterfield \$1,500,000	Bill Mattox	Located at I-295, Zoned Business (C-3)
Commercial - 5.8 Acres Hull Street Rd, Woodlake Area	Chesterfield \$1,675,000	Bill Mattox	Zoned Business, across from Lowe's
Commercial - 1 Acre West Broad St & Gayton Rd	Henrico \$1,000,000	Bill Mattox Sam Worley	Zoned Business
Commercial - 1.3 Acres Parham Road & I-95	Henrico \$625,000	Sam Worley	Zoned B-3
Commercial - 3 Acres Parham Road & I-64	Henrico \$750,000	Bruce Milam Steve Gentil	Zoned O-1C
Commercial - 3.4 Acres Creighton Road & I-295	Henrico \$375,000	Bill Mattox	Zoned A-1, Business Site
Commercial - 4.8 Acres W. Broad St, Short Pump	Henrico Ground Lease	Bill Mattox Jackie Noel	Zoned A-1, next to Short Pump Towne Center
Commercial - 3.47 Acres off Forest Hill Avenue	Richmond \$350,000	Sam Worley	Near Lowe's & Wal-Mart @ Chippenham Pkwy
Industrial - 3 to 100 Acres Hill Carter Parkway, Ashland	Hanover \$65,000/ac	Bill Mattox David Williams	Zoned Light Industrial
Industrial - 15 Acres Laburnum Avenue & I-64	Henrico \$1,425,000	Bill Mattox David Williams	Zoned Light Industrial
Industrial - 86 Acres Rt 10 & Winston Churchill Rd	Hopewell \$1,500,000	Bill Mattox David Williams	Zoned Heavy Industrial
Multi-Family - 7.3 Acres Farnham Dr/Stonehenge	Chesterfield \$775,000	Sam Worley	Will sell subject to rezoning
Multi-Family - 17.5 Acres Old Hundred Road, Midlothian	Chesterfield \$1,600,000	Bruce Milam Sam Worley	Zoned for 175 apartments
Multi-Family - 34 Acres Harrogate Road, Chester	Chesterfield \$1,550,000	Bruce Milam Sam Worley	Zoned, engineered & approved for 223 townhouses
Multi-Family - 37 Acres W. Broad & Three Chopt Rd	Henrico \$13,000,000	Sam Worley	Multi-Family Land; Under Contract
Multi-Family - 54.68 Acres Midview Road, Varina	Henrico \$3,490,000	Bruce Milam Sam Worley	Zoned for 600+ Multi-family Units
Multi-Family - 29 Acres Mechanicsville	Hanover \$1,900,000	Bruce Milam Sam Worley	Zoned for 282 apartments
Multi-Family - 5.84 Acres Parham Rd & St. Charles Rd.	Henrico \$600,000	Sam Worley	Zoned & approved for 40-bed ALF
Residential - 220 Acres Rt. 711	Powhatan \$1,000,000	Bruce Milam Sam Worley	Residential Land; Under Contract

Superior Service Through Innovative People With Traditional Values

THE LAND & GENERAL BROKERAGE

TEAM specializes in all facets of commercial real estate locally, as well as nationally, through our affiliation with Grubb & Ellis, one of the nation's largest commercial real estate services firms. Clients benefit from the depth of experience and superior market knowledge of these highly trained professionals. Services provided include:

- ◆ Acquisition/Disposition Services
- ◆ Assemblage(s)
- ◆ Buyer/Tenant Representation
- ◆ Feasibility Studies
- ◆ Highest & Best Use/Alternate Use Studies
- ◆ Investment Analysis
- ◆ Land Topography Evaluation
- ◆ Lease Review for Owners & Tenants
- ◆ Lease Vs. Own Analysis
- ◆ Marketing Plans & Services
- ◆ Multi-Family Property Valuation
- ◆ Sales-Leasebacks
- ◆ Site & Facility Selection
- ◆ Special/Unusual Property Transactions
- ◆ Strategic Real Estate Planning



Grubb & Ellis/Harrison & Bates' Land & General Brokerage Team includes Bill Mattox, Bruce Milam and Sam Worley.

- ◆ Tax Deferred Exchanges
- ◆ Zoning Analysis

New Web Site Launched

On April 3, 2000 Grubb & Ellis | Harrison & Bates launched its new and expanded web site. The new site includes individual and team profiles, direct e-mail links to all employees, a searchable database of listings, our annual market report and quarterly newsletters, news releases, regional information, maps & statistics, and links to nearly 100 other web sites offering information relating to commercial real estate in Central Virginia.

Visit us at www.harrison-bates.com and let us know what you think.



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