

MONTGOMERY NEWSLETTER

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In Brief...

.....Having outgrown its Gaithersburg offices, Brickman Landscaping is moving to Rockville.

The company, one of the largest privately held landscaping firms in the country, signed a lease for 28,000 square feet at 2275 Research Boulevard. Brickman's new landlord is Brandywine Realty Trust, which refilled part of a block of space that Lockheed had given up. Lockheed recently opted not to renew a lease for about 65,000 square feet in the building, giving Brandywine some leasing work.

Brickman's deal puts it on the sixth floor and part of the seventh, and gives it signage too. Rocky Kern of Cassidy Turley brokered the transaction.

.....A newly closed deal will put the Greater Washington Association of Realtors (GWCAR) into a Rockville building.

GWCAR paid \$12.25 million to buy 15201 Diamondback Drive, providing itself with a new home as well as landlord duties. The association will occupy about 15,000 square feet in the 58,329 square foot building, acquired from a partnership led by Washington Property Company.

GWCAR and WPC were already acquainted, as the association is a tenant in WPC's 8757 Georgia Avenue in Silver Spring. Jovi McAndrew and Todd Wilson of Transwestern represented GWCAR.

Townhouse Time

Three Builders Angle for Attached Units

A couple of townhouse deals went to the settlement table recently, while a third is newly announced.

Winchester Homes' agreement to take the first position at a redeveloped Privacy World apartments in Glenmont is the new deal, while both K. Hovnanian and Beazer took ownership. KHov parted with \$1.635 million for the first takedown of six lots at The Vistas at Quince Orchard Park, or \$272,500 per lot. Then, Beazer Homes completed the acquisition of 'Germantown Park,' the retail store-turned townhouse development at Clopper and Mateny roads. Beazer paid \$9.4 million for the rights to 104 towns.

KHov's newest job at Vistas is 25 lots in all, which it is buying on a finished basis from Churchill Development. Churchill kept seven singles to sell under its own account in The Vistas, but it opted to put the 24-footers on the market. KHov is advertising its first three units at \$569,990.

Beazer's new job, meanwhile, was a small grocery store for years. But Finmarc Management decided the stand-alone couldn't compete against the village centers in Germantown and got it rezoned it for towns. Beazer will have 20-foot product on land it will finish itself.

A Start. Winchester, meanwhile, has a contract to buy 171 townhouse lots at Glenmont MetroCentre, as first reported by the *Gazette*. The deal is firm evidence that the 31-acre Privacy World apartments will indeed be converted into a transit-oriented project. Developers Westpath Real Estate and Buchanan Partners have some 1550 units and a retail component ahead of them.

The KHov deal is within the ballpark of pricing that builders are paying now for townhouse lots. The most high profile 'comps' are at Crown, where Pulte is paying \$220,000 for 16-footers, M/I Homes is paying \$285,000 for the wider 20-footers, and KB is paying \$330,000 for the largest, 24-foot units.

The whole uptick in townhouse lot pricing started with KB Homes' \$10 million acquisition at Summit Hall Reserve. KB's deal momentarily brought the market to a collective halt. Jaws dropped. Conversations trailed off, and weeds stopped growing along the highway for a few minutes. But the KB deal turned out to be not an aberration but a weathervane swung in the wind, pointing the way.

Rich Samit, Bruce Winston and Aaron Lebovitz of Fraser Forbes Real Estate brokered both the KHov and Beazer deals.

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PO Box 1358, Olney, Md. 20830. (301) 924-1994. Email: support@marylandnewsletters.com
www.marylandnewsletters.com