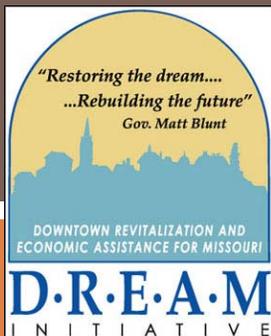


# RESIDENTIAL DEMAND ANALYSIS

The Washington Downtown Market Area  
City of Washington  
Franklin County, Missouri

Prepared by  
Missouri Housing Development Commission

Assistance provided by  
Peckham Guyton Albers & Viets



# Executive Summary



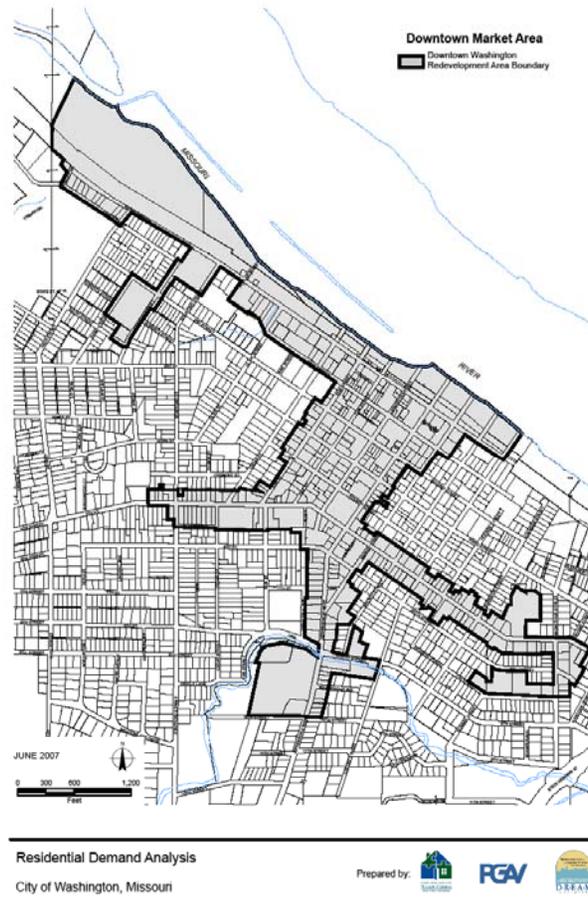
- Market Study Purpose: Quantify the potential residential demand in the downtown area of Washington, MO
  - Complement the overall revitalization efforts of the area
  - Determine the type of residential demand that exists
  - Detail the depth of the market demand

# Executive Summary



- Downtown Market Area (DMA) is generally considered to be the area that was designated by the city as the Downtown Washington Redevelopment Area (TIF District)
- The Analysis includes:
  - Demographic and economic analysis of the community
  - Demand analysis of the housing markets
    - Senior rental housing
    - Family rental housing
    - Family affordable housing
    - For sale housing

# Downtown Market Area



MO DREAM - City of Washington Residential Demand Analysis

# City Facts

- Washington, Missouri
  - ▣ Located in Franklin County along southern banks of Missouri River
  - ▣ 40 miles west of St. Louis, MO
  - ▣ Largest city between St. Louis County and Jefferson City
  - ▣ Tourist destination and desirable place to live
  - ▣ Stable and diverse economy
    - Predominate manufacturing base
    - Major retail trade area for the region
    - Home to a major medical facility

# DMA Description



- Downtown - Washington, Missouri
  - Thriving downtown area
  - Location for the majority of storefronts, mostly local businesses
  - Significant number of occupied residential units above store fronts
  - Great pedestrian traffic during daylight hours
  - Business and government center
  - Host to art galleries, antique shops, long term grocer
  - James W. Rennick Riverfront Park

# Demographic Statistics



- Population of Washington (2006)
  - Approximately 13,893 people
  - Growing at a rate of approximately 1.2% per year
  - Age of population is getting older

# Demographic Statistics

- Households in Washington (2006)
  - Approximately 5,861 households
  - Total number of households is increasing
  - The average size of households is decreasing, creating a greater demand for smaller housing units
  - Distribution of homeowners is even at all ages above 25 years
  - Household incomes are rising
    - By 2011, 60% of households are projected to exceed \$40,000

# Demographic Statistics



- Households in Washington (2006), continued
  - ▣ Tenure patterns of the community have been constant and are expected to continue
  - ▣ Majority of housing inventory is owner occupied
  - ▣ Very low percentage of homeowners are considered severely cost burdened
  - ▣ Minimal amount of renters are considered severely cost burdened; largest group is the elderly

# Housing Statistics



- Housing Units (2000 census)
  - Approximately 5,556 units
  - Majority of structures were detached single family units
  - Balance of the structures were spread across the other residential construction types
  - High percentage of structures were built before 1990
  - Most of the residential structures in the downtown area were built prior to 1939

# Housing Statistics



- Housing Units (2000 census), continued
  - ▣ Majority of owner occupied housing units had a value of \$150,000 or less
  - ▣ Homes in the downtown area are valued from \$130,000 to \$250,000

# Housing Statistics



- Gross Rents (2000)
  - Majority of rental units had a gross rent range of \$300 to \$750
  - Rental units on the second and third floors of the commercial buildings rent within \$400 to \$500
  - HUD studios and one bedroom Fair Market Rents are \$497 and \$539

# Employment and Economy

## □ Washington Area Major Employers

Major Employers - Washington Missouri		
Employers	Type of Business	Employees
Sporlan Valve	Refrigeration Valves	1120
St. John's Mercy Hospital	Health Care	756
Washington School District	Education	575
Wal-Mart Supercenter	Retail Sales	425
Magnet, Inc.	Advertising Specialties	390
Patients First	Health Care	284
Pauwels Transformers, Inc.	Transformers	280
Rawlings Sporting Goods	Sporting Goods	230
RTI TRADCO	Research, Aircraft Parts	190
Canam Steel	Structural Steel	175
Cedarcrest Manor	Nursing Care	150
Clemco Industries	Abrasive Cleaning Equip.	125
Grand View Healthcare	Nursing Care	120
GH Tool & Mold	Machine and Mold Work	115
Enduro Binders, Inc.	Book Bindery	114
Washington Metal Fabricators	Metal Fabricators	110
Missourian Publishing	Newspaper and Printing	110
Happy Apple Company	Food Products	100+
Sheltered Workshops	Shipping Crates, etc.	110

Source: Washington Chamber of Commerce

# Employment and Economy



- City Employment
  - ▣ Manufacturing, Healthcare and Retail comprise over half of the Washington economy
  - ▣ Average annual earnings for the top three sectors range from \$22,500 to \$35,800
  - ▣ Washington's manufacturing employment has been stable contrary to national and state trends
  - ▣ Regional "Hub" for employment, healthcare, services and retail goods

# Existing Housing

## □ Owner Households

- The older sections of the city with the oldest housing stock are the areas north of State Highway 100
- Most of the newly developed subdivisions are located south of State Highway 100 and contain a variety of values and styles
- Price range
  - Low of \$110,000 for older homes
  - High of \$1,000,000 for large, luxury, newer homes
    - Stone Crest
    - Cobblestone Creek
    - History Creek East
    - Ming Estates
    - Eastland Oaks

# New Owner Occupied Housing

- Owner Households
  - ▣ Newly constructed condo/townhouse/villas
    - Prices range
      - Low of \$125,000
      - High of \$500,000
    - Large number of attached homes recently built
      - Stone Crest
      - Villas at Franklin County
      - Lake Washington
      - Southport
  - ▣ Many newly developed subdivisions have a large number of vacant lots that are currently being marketed
    - \$50,000 to \$100,000

# New, For-Sale Housing

- New attached and detached homes currently for sale in Washington

Summary of Selected New Homes in the Washington Market Area						
Subdivision	Address	Housing Type	Listed Price	Unit Sq.Ft.	Unit Configuration	Price Per Square Foot
N/A	4103 Old Highway 100	Detached	\$ 825,000	5,100	4 Br/3.5 Ba	\$161.76
Stonecrest	3102 Deutsch Crest Dr.	Detached	\$ 675,000	5,000	4 Br/4.5 Ba	\$135.00
Ming Estates	930 Prairie View Ct.	Detached	\$ 665,000	5,000	5 Br/3.5 Ba	\$133.00
Villas at FCCC	338 Torrey Pine Cir	Attached	\$ 596,000	2,528	2 Br/2 Ba	\$235.76
Cobblestone	954 Cobblestone Dr.	Detached	\$ 549,900	3,068	4 Br/3.5 Ba	\$179.24
Lake Washington	312 Lake View Dr.	Detached	\$ 447,500	3,300	5 Br/2.5 Ba	\$135.61
Stonecrest	2517 Deutsch Crest Dr.	Attached	\$ 320,000	1,625	3 Br/3 Ba	\$196.92
Lake Washington	2504 Rabbit Trail Dr.	Attached	\$ 299,000	2,300	4 Br/3.5 Ba	\$130.00
Apple Blossom	1304 Apple Blossom Ln.	Attached	\$ 269,000	2,200	3 Br/3 Ba	\$122.27
Stonecrest	2518 Andrea Crest Dr.	Attached	\$ 249,900	1,620	2 Br/2 Ba	\$154.26
Lake Washington	350 Lake View Dr.	Attached	\$ 227,000	1,527	2 Br/2 Ba	\$148.66
Highlands at,etc.	3000 Thoroughbred Dr.	Detached	\$ 210,000	1,588	3 Br/2 Ba	\$132.24
Lake Washington	2415 Rabbit Trail	Attached	\$ 199,900	1,540	2 Br/2 Ba	\$129.81
Holly Hills Est.	1901 Kaleb Ct. 45A	Attached	\$ 194,500	1,288	3 Br/3 Ba	\$151.01
Birchwood Court	807 W. 5th	Attached	\$ 137,500	1,250	3 Br/1.5 Ba	\$110.00

# Existing Rental Housing

## □ Market Rate Rental Households

- There are a number of apartments on the second and third floors of many of the commercial buildings in the downtown area with retail establishments on the street level
  - Most units are efficiencies or one bedroom units
  - Most units in no better than fair condition
  - Rents range from \$400 to \$500 per month
  - Very few owner occupied
  - Demand for available units high although very few updated
    - Seniors
    - Young singles

# Existing Senior Housing

- Senior Affordable Renter Households
  - Hillcrest Apartments
    - Only existing multifamily development in downtown area
    - 54 one-bedroom units
    - Income restricted seniors only development
    - Funded in the 80's by USDA Rural Development
  - Heritage Village
    - Located southwest of the downtown area
    - 30 one-bedroom units
    - Income restricted, seniors only development
    - Funded in the 80's by USDA Rural Development

# Existing Senior Affordable Housing

- Senior Affordable Renter Households
  - Macarthur Park Apartments
    - Located in the Downtown Washington Redevelopment Area
    - 56 units
      - 41 one-bedroom units
      - 12 two-bedroom units
    - Income restricted, seniors only development
    - Currently under construction with funding through MHDC

# Existing Affordable Housing

- Family Affordable Renter Households
  - Sufficient level of affordable rental housing for families
    - Village West Apartments
    - Sawgrass Apartments
    - Pear Tree Apartments (Horn Drive)
    - Southwinds Apartments (14<sup>th</sup> & Southwinds Drive)
    - Old Town Apartments
    - Birchwood Condos (5<sup>th</sup> Street)
    - Sunrise Valley Apartments on Missouri Highway A

# Existing Housing

- Downtown Area
  - ▣ The oldest section of the city and many of its buildings are on the National Historic Register
  - ▣ Dotted with single family land uses as well as neighborhoods that surround downtown
    - Most are 1 ½ to 2 story dwellings
    - Approximately 80+ years of age
    - In average to fair condition
    - Values that average approximately \$130,000

# Summary of Existing Housing

- **Empty nesters/ baby boomers influencing the market**
  - ▣ High incomes and net worth
  - ▣ Desire to either escape the big city or relocate from more remote area
  - ▣ Evidenced by large number of attached homes and villas that have recently been built in the Washington area
- **The market is at capacity for senior rental housing occupancy**
  - ▣ Existing lower income developments
  - ▣ One market rate development
  - ▣ Demand expected to be in excess of that which will be served by Macarthur Park

# Existing Housing

## □ Sample of apartments in Washington

Summary of Selected Apartments in the Washington Market Area					
Apartment	Location	Bedrooms	Unit Size	Avg. Rent	Rent Per Square Foot
109 W. Main	Downtown	0Br	500	\$ 290	\$0.58
216 W. Front	Downtown	1Br	900	\$ 600	\$0.67
315 Elm	Downtown	1Br	800	\$ 400	\$0.50
		2Br	950	\$ 475	\$0.50
Townhouse	403 Frank	3Br	1,350	\$ 750	\$0.56
Village West	Horn and Village West Ct.	1Br	800	\$ 380	\$0.48
		2Br	1,000	\$ 425	\$0.43
		3Br	1,100	\$ 565	\$0.51
Southwinds	14th and Southwinds Dr.	2Br	960	\$ 570	\$0.59
No Name	W. side 13th and Stafford	2Br	1,000	\$ 750	\$0.75
		3Br	1,200	\$ 800	\$0.67
Sunrise Valley	Highway A	1Br	750	\$ 350	\$0.47
		2Br	875	\$ 450	\$0.51
Hillcrest Apts.	539 W. 2nd Street	1Br	750	\$ 310	\$0.41
Macarthur Park	5th and Macarthur	1Br	700	\$ 435	\$0.62
		2Br	1,015	\$ 485	\$0.48
No Name	E. side 13th and Stafford	2Br	1,100	\$ 800	\$0.73
Heritage Village	700 Fremont	1Br	760	\$ 330	\$0.43

# Market Opportunities

- Primary Market Area (PMA) for residential demand in the city of Washington as a whole and the downtown market area
  - All of Franklin County
  - Portions of surrounding counties
    - St. Louis
    - Jefferson
    - Crawford
    - St. Charles
    - Gasconade
    - Warren

# Senior Affordable Opportunities

- Senior Affordable Renter Households (2006 to 2011)
  - Attracted from Primary Market Area
  - 114 attracted to city of Washington
    - 56 of senior households by Macarthur Park development
    - **58 of senior households to new units in Downtown Market Area**
      - Small town charm of downtown appealing
      - Close proximity to basic services
      - Neighborhood amenities
      - Significant number should be 2 bedroom units
        - High demand
        - Short supply

# Owner Household Opportunities

- Potential Owner Households (2006 to 2011)
  - Attracted from Primary Market Area
  - 351 attracted to new units in the city of Washington
    - **100 units attracted to Downtown Market Area**
      - Target market
        - Empty nesters
        - Retirees
        - Young professionals
      - Price points
        - \$150,000 to \$500,000
        - Begin with rental housing to build momentum
  - Mid to Upper Income Households have no current options in Downtown Market Area

# Opportunity Buildings/Areas

- Potential Downtown Housing Development Sites
  - Front Street at Tieman
  - 2<sup>nd</sup> and Rand – Old Shoe Factory
  - Front and Cedar
  - West side of Olive near West Main Street
  - Corn Cob Pipe Factory
  - Vacant Modern Auto Dealership
  - Block at 3<sup>rd</sup> and Lafayette
  - MFA Building
  - Front Street and Market Street
  - Northwest Corner of Market Street and Main

# Contact Information



- The entire Residential Demand Analysis is available from the City of Washington.
- Contact: Richard Oldenburg, Director of Economic Development, 636-390-1004