

Is Piney-Z a good value with the “high” CDD fees?

(Note: This explanation of the Piney-Z CDD fees is copyrighted, proprietary information developed by Bill Groover for the use of Real Estate Customers interested in his listings. No one else has my permission to use this document. Thank you.)

Normally, when a developer buys a farm and turns it into a subdivision, they put in the streets and the sewers (the infrastructure) and add a portion of the cost to the price of each lot. But when Doyle Conner and Royal American developed the Dansby property into Piney-Z, they financed the infrastructure with a bond (the 1997A Bond) and started a Community Development District (CDD) to administer the bond. They then sold the lots for less money than they could have, but with a piece of the debt attached. So prices came out “even.” Then, in 2002, a second bond was added when the Dansby’s house was remodeled and turned into the lodge and the pool was built. Both bonds will be paid off in 2019, the CDD will be dissolved, and the community property will become city property.

Until then, homeowners in Piney-Z will make annual CDD payments which will depend on the width of their lot (36, 40, 50, 60, 75, or 90 feet). A little less than half of the annual fee goes for bond payments. The rest goes for upkeep on the common areas, the pool, and the Property Manager’s salary and expenses. As a homeowner, you may vote on the annual budget for the CDD.

Now, you know the original owners of the lots got a discount and a piece of the debt. You’re still getting the piece of the debt. What you want to know is are you still getting the discount?

That discount is still being passed along in the form of a lower price/SqFt on homes in Piney-Z. The closest “apples to apples” comparison is with Weems Plantation on the other side of Tom Brown Park from us. Looking at both sub-divisions, you will see there really is no comparison between Weems and Piney-Z. The following chart makes this point clear:

Weems

All homes built by Premier

Homes may be 4 sides vinyl

Crowded looking neighborhood, cars parked on the streets, and no amenities

Piney-Z

Some Premiers, more Turners, Persica's, Trudeaus, and Others

Homes must have masonry front, and sides facing streets must be masonry (brick, stone, or stucco).

Beautiful neighborhood, few cars on the streets, and the Pool, lodge, playgrounds, lake, trails ...

Any way you look at it, Piney-Z is a much more desirable location. But if you compare the price of homes in the two neighborhoods, comparable houses in Weems can run higher! Look at the next two pages showing all homes under 1700 SqFt sold in Weems with a brick or stucco front and all under 1700 SqFt sold in Piney-Z for either the first six months or second six months of 2007. Houses in Weems averaged \$6/SqFt more than in Piney-Z.

Why? Buyers looking at a 1,500 SqFt house in Piney-Z, see \$960/year in CDD fees, and run get themselves a "bargain" in Weems! But if you do the math and compare the price/SqFt, and then multiply that **\$6/SqFt times a 1,500 SqFt house, that's a \$9,000 savings.** The 1997A bond debt for a 50 Ft lot was \$2,557 Feb. '08. Are you still getting the "discount"? You're saving over three times the debt! Plus you get a far nicer neighborhood with all the amenities.

The CDD fees for a 50 ft lot for 2008 will be \$938. At this rate, you could pay CDD fees for nine years, come out cheaper, and live in Piney-Z!

Bottom line: **Is Piney-Z a good value with the high CDD fees?** Fees are based on the width of the lot of the house, ranging from \$664 for a 36 ft. lot to \$1662 for a 90 ft. lot (2007 rate). I can name fifteen families who owned homes with 36 to 50 ft. lots, who, when they were ready to move up to a larger house, moved within Piney-Z to a 60, 75, or 90 ft. lot, some of whom more than doubled what they were paying in CDD fees.

**When the people paying the price are willing to double it,
you know it is value!**

All sold in Piney-Z, under 1700 SqFt, Jun-Dec 2007
 (NOTE: 1 Foreclosure, the Lowest \$/SqFt, was REMOVED)

ADDRESS	Lot Dim	SQF DOM LP	\$/SQF	SP	\$/SQF
1149 High Meadow Dr	50x145	1358 33	\$215,000	\$158.32	\$205,000 \$150.96
1066 High Meadow Drive	50x145	1633 41	\$249,900	\$153.03	\$241,000 \$147.58
1091 Piney Z Plantation Road	50X145	1677 68	\$257,500	\$153.55	\$242,500 \$144.60
1107 WINTER LN	155x50x145x50	1673 59	\$250,000	\$149.43	\$247,500 \$147.94
4886 Heritage Park Blvd.	46x147x89x154	1606 11	\$255,000	\$158.78	\$247,750 \$154.27
Total Listings		Avg	Avg	Avg	Avg
5		42	\$245,480	\$154	\$236,750 \$149

NOTE: PRICE S INCREASED \$2/SQFT FROM THE FIRST HALF TO 2007 TO THE SECOND HALF!

**All sold in Weems, under 1700 SqFt, Jun-Dec 2007 with
 Masonry (brick or stucco) fronts, 2 Car Garages**

ADDRESS	Lot Dim	SQF DOM LP	\$/SQF	SP	\$/SQF
3518 Barnstaple Dr	130x61	1352 43	\$209,900	\$155.25	\$205,000 \$151.63
3494 Lands End Ln	55x106x58x106	1372 16	\$215,000	\$156.71	\$210,000 \$153.06
3485 BARNSTAPLE DR	146x50x142x50	1381 28	\$220,000	\$159.30	\$215,000 \$155.68
3434 Barnstaple Dr.	47x106x74	1372 0	\$225,000	\$163.99	\$224,000 \$163.27
Total Listings		Avg	Avg	Avg	Avg
4		21	\$217,475	\$158	\$213,500 \$155

Taken from the Tallahassee Board of REALTORS® Multiple Listing Service
 on Feb. 28, 2008 by Bill Groover.

All sold in Piney-Z, under 1700 SqFt, Jan-Jun 2007

ADDRESS	Lot Dim	SQF DOM LP	\$/SQF	SP	\$/SQF
1169 High Meadow Dr	145x50	1359 87	\$210,000	\$154.53	\$195,000 \$143.49
1153 Winter Lane	50x145	1369 141	\$209,900	\$153.32	\$200,000 \$146.09
1121 HIGH MEADOW DR	50x145	1455 54	\$215,000	\$147.77	\$212,000 \$145.70
1041 Piney Z Plantation Rd	145X50	1428 12	\$213,000	\$149.16	\$213,000 \$149.16
1068 WINTER LN	195x41x122x142x20	1471 10	\$215,000	\$146.16	\$214,500 \$145.82
1088 Winter Lane	50X152 IRR	1559 21	\$225,000	\$144.32	\$225,000 \$144.32
4859 HERITAGE PARK BLVD	145x50	1601 3	\$234,900	\$146.72	\$229,000 \$143.04
1012 PINEY Z PLANTATION RD	50 X 145	1526 34	\$235,000	\$154.00	\$235,000 \$154.00
4886 Heritage Park Blvd.	46x147x89x154	1606 11	\$255,000	\$158.78	\$247,750 \$154.27
4863 Heritage Park Blvd	50x145	1630 22	\$250,000	\$153.37	\$251,000 \$153.99
Total Listings		Avg	Avg	Avg	Avg
10		39	\$226,280	\$150	\$222,225 \$147

All sold in Weems, under 1700 SqFt, Jan-Jun 2007 with Masonry (brick or stucco) fronts

ADDRESS	Lot Dim	SQF DOM LP	\$/SQF	SP	\$/SQF
3263 Emerson Lane	44x110	1280 140	\$193,000	\$150.78	\$185,000 \$144.53
3462 FALMOUTH CT	60x105	1302 245	\$198,900	\$152.76	\$195,000 \$149.77
3460 GENTLE WIND WAY	110*60	1334 109	\$208,000	\$155.92	\$202,000 \$151.42
3469 Exmouth Lane	60x100	1387 102	\$225,000	\$162.22	\$221,000 \$159.34
3434 Barnstaple Dr.	47x106x74	1372 0	\$225,000	\$163.99	\$224,000 \$163.27
Total Listings		Avg	Avg	Avg	Avg
5		119	\$209,980	\$157	\$205,400 \$153

Taken from the Tallahassee Board of REALTORS® Multiple Listing Service
on July 15, 2007 by Bill Groover.