

CA - Cranbury

1/21/84

Response to request ~~at~~ for inspection  
of appropriateness of change in  
municipal zoning in Brick Yard Road,  
Cranbury

PZ

CA002598L

THE ARD APPRAISAL CO.

CA002598L

MCMLXV



250 E. BROAD STREET  
WESTFIELD, NEW JERSEY 07090  
201 - 654-4545

223 DRUM POINT ROAD  
BRICK TOWN, NEW JERSEY 08723  
201 - 920-1950

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Refer To Westfield

January 21, 1984

Lawrence B. Litwin, Esq.  
Scerbo, Kobin, Litwin & Wolff  
10 Park Place  
Morristown, N. J. 07960

Re: Municipal Zoning Changes  
Brick Yard Road and  
Cranbury-Hightstown Station Rd.  
Cranbury Township, New Jersey

Dear Mr. Litwin:

In accordance with your request I have inspected the above captioned area for the purpose of ascertaining the appropriateness of the change in municipal zoning of certain lands from the "Industrial Zone" to the "Industrial Light Impact Zone", and of other lands from the "Industrial Zone" to "Residential Light Impact Zone".

More specifically I refer to the industrial parcels located on the west side of Hightstown-Cranbury Station Road, south of Brick Yard Road and shown on the municipal tax maps as Lots 5, 12, 13 and 6, Block 16, as being changed from the "Industrial Zone" to the Industrial Light Impact Zone".

I also refer to additional lands, primarily vacant, located on the north and south side of Brick Yard Road, east of Route 130, and shown on the municipal tax map as Lot 4, Block 16 and Lot 10, Block 10 respectively, as being changed from the "Industrial Zone" to the "Residential Light Impact Zone" (one dwelling unit per three acres).

Please refer to the attached tax map sheet.

From a real estate valuation and future land use perspective, it is my opinion that the changes as stated above, are inappropriate for all the land described, and that such changes impact

Lawrence B. Litwin, Esq.

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adversely on the value of all the properties involved. Furthermore, it is my opinion that a strict adherence to the change in zone to "Residential Light Impact" will effectively render those lands economically useless for the foreseeable future.

I am of these opinions and convictions for the following reasons:

1. The change from "Industrial: to "Industrial Light Impact" (I-LI) places Lots 5, 12, 13 and 6 of Block 16, in a non-conforming use status. This status constitutes a form of economic obsolescence for the buildings and limits present value of the properties and future marketability.
2. The many hundreds of acres of Lot 4, Block 16, and Lot 10, Block 10, that have been changed from Industrial to "Residential Light Impact" (R-LI) now have the following boundaries which from a sound planning perspective are incompatible with residential development.
  - a) Route 130 and the commercial properties thereon to the west.
  - b) An office and reserach zone to the north.
  - c) The New Jersey Turnpike and the Pennsylvania Railroad to the east.
  - d) The heavy industrial parcels along Hightstown-Cranbury Station Road to the east and southeast.
3. The rezoning of Lot 4, Block 16, located on the south side of Brick Yard Road from "Industrial" to "Residential Light Impact" (one single family dwelling per three acres) is inappropriate due to a substantial portion of the property being in the Flood Hazard Area. This is due to the presence of Millstone River along the southerly boundary line and the presence of Indian Run, bisecting the parcel.

This same condition would have a significantly less impact on the property if it were to be developed along industrial lines.

4. The rezoning of Lot 10, Block 10 from "Industrial" to R-LI (one single family dwelling per three acres), is inappropriate due to the combination of the absence of sanitary sewers, the poor soil conditions and the high water table. The combination of these conditions militates against the proper disposition of sanitary waste. It likewise precludes the construction of basements, a common and desirable house amenity for homes in a price range normally associated with three acre lots.
5. The physical characteristics of the land mentioned above in #3 and #4 and the non-residential character of the lands surrounding those parcels, are such as to raise serious doubts as to the availability of mortgage funds normally necessary for land development. My appraisal experience for mortgage financing purposes leads me to the opinion that the secondary mortgage market would find such locations unacceptable.
6. Given the strong non-residential character of the lands abutting Block 10 and 16, the current price range for housing in the tri-county area of southern Middlesex County, western Monmouth County and north-eastern Mercer County, and the trend in residential development toward smaller houses on smaller parcels, the R-LI (one single family dwelling per three acres) is particularly inappropriate and will render these lands economically useless for the foreseeable future.

The economics of home ownership and the changing patterns of family formation to less children and two working spouses is reflected in the change in home development

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away from large houses on large lots. This is borne out by recent and current residential development in East Windsor, southwest of the subject area.

- a) Georgetown Townhouse Development  
172 Units; 25 Acres; \$72,000 - \$88,000 range  
6:88 Units Per Acre.
- b) Hampton Arms Apt.  
96 Units; 7.5 Acres; 12.67 Units Per Acre.
- c) Windsor Regency Apts.  
470 Units; 29.8 Acres; 15.77 Units Per Acre.
- d) St. James Village  
109 Units; 7.1 Acres; 15.35 Units Per Acre.

While single family homes are still being constructed, the trend in recent years is clearly toward townhouse and/or condominium ownership, smaller houses and higher density.

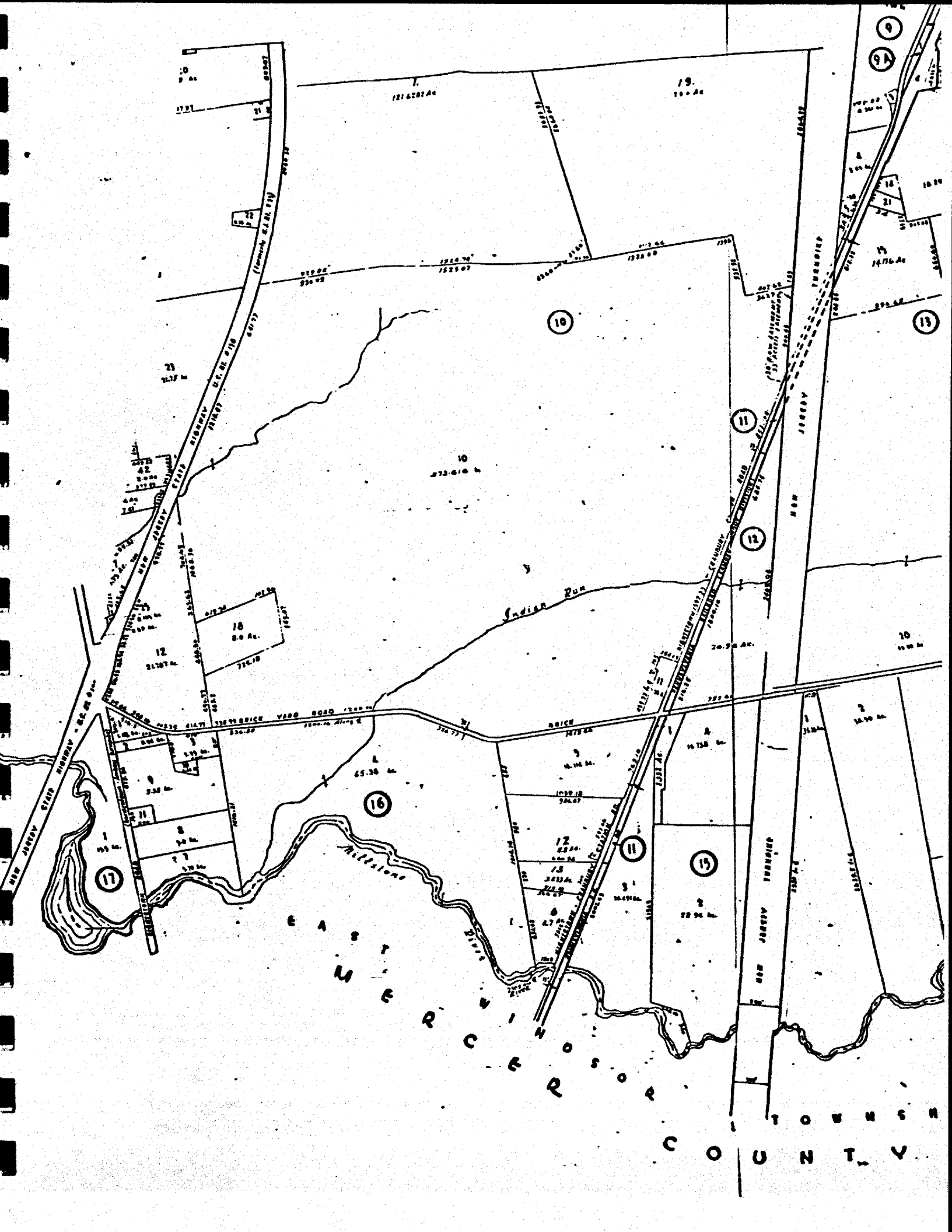
Respectfully Submitted,

ARD APPRAISAL COMPANY



William T. Ard, M.A.I.  
President

WTA:fd  
Encl.



## Smaller, more affordable homes touted for '84

By ANN SIEVER

What will homebuyers be looking for in 1984?

Smaller, affordable homes, says Kevork S. Hovnanian.

And he should know—his firm, K. Hovnanian Companies of Red Bank, has racked up national attention by concentrating on smaller, affordable homes and it expects its volume to grow by as much as 40 percent in 1984, making it probably the biggest developer of residences in New Jersey.

Hovnanian points to factors that indicate his kind of building will provide the right house at the right time in 1984: Recent court decisions that will cut more moderate-priced homes in more New Jersey communities. And the reluctance of baby-boomers to copy the ways of their parents and put most of their disposable income into housing.

"The Mt. Laurel II court decision will reach into every corner of New Jersey where there is a need for moderate housing," he said.

Such areas, he thinks, will include Bergen, Morris, Middlesex, Monmouth and Mercer counties.

Of special note is central New Jersey, Hovnanian says.

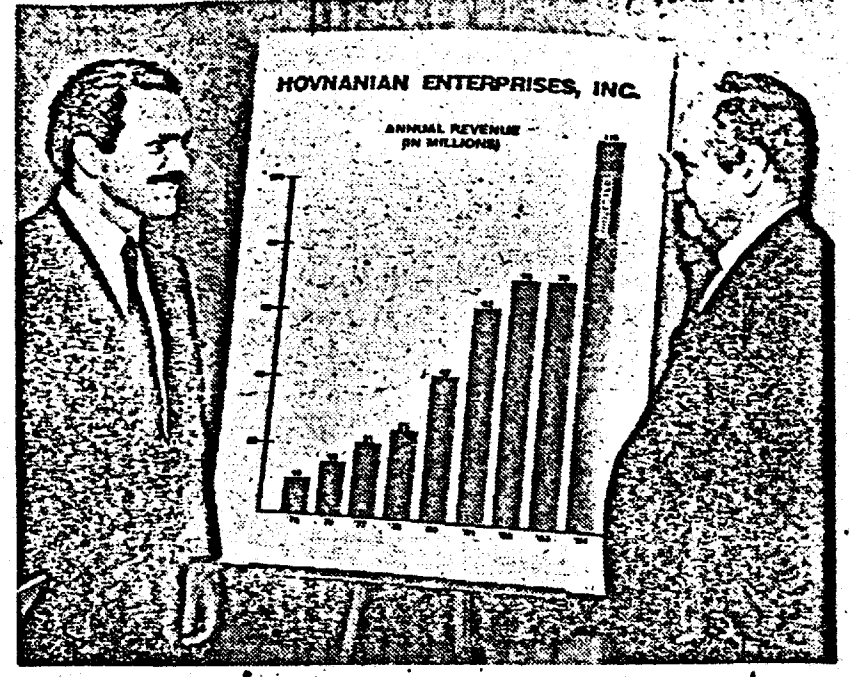
Central New Jersey has had a considerable movement in office space and light industrial facilities," he pointed out. "As people move with their companies, they will have need for affordable housing close to their new jobs."

And then there are the baby-boomers, those now in the 25-to-34-year age group, many of whom are home-seekers.

"The baby boom generation wants to spend less on housing," Hovnanian says. "They have grown up in an environment different from their parents. Their tastes and preferences and, most especially, their lifestyles are different than were their parents at their ages."

"This generation is not going to put most of its disposable income into housing as did the previous generation."

The Hovnanian companies build homes ranging in size from under 1,000 square feet to over 1,600 square feet at prices that start in the mid-to-upper 50,000 range in multi-areas across the state and in Florida. Prices for the one-bedroom, one-bath model at the firm's The Club at Galloway in the Atlantic City area start at under \$40,000. Hovnanian apparently is on the



(Left) Ara Hovnanian, left, vice president of operations, and his father Kevork S. Hovnanian, discuss 1984 projections chartered behind them showing their company, Hovnanian Enterprises Inc., growing by nearly 40 percent in annual revenues



(Left) The traditional English breakfast room in Florham on the Fairways Pickering House in Florham Park where the three model homes currently are being used to highlight the works of New Jersey artists

right track.

Government statistics show the size of single-family housing has been declining since a 1979 peak of an average of 1,760 square feet. Since then, the amount of space in the average new home has edged downwards each year until it reached 1,710 in 1982.

And Merrill Lynch Relocation Management Quarterly reports the 1983 tally will show an average size of 1,690 square feet—and it forecasts that figure being shaved to 1,665 in 1984 and 1,640 in 1985.

Jonathan L. Goldfarb, chief housing analyst for Merrill Lynch, Pierce, Fenner and Smith, points to a key reason for the surge towards smaller homes—the disinclination of homeowners to trade up to bigger properties due probably to tenaciously high mortgage interest rates.

With trade-up activity slowing, Goldfarb reasons that first-time homebuyers will find fewer existing homes on the market and will be forced into the new home market.

"Consequently," he notes, "as

growing proportions of new single-family housing demand derive from first-time purchasers, the mix of production should shift downward toward the smaller, more basic, and relatively less expensive types of units that these younger households typically require."

Townhouses, now more than 20 percent of all single-families produced nationally, should take a bigger portion of the housing market in the coming year, according to Goldfarb.

His forecasts of housing activity show steady improvement—long L7

Second in a series



The dining room of the Galaxy penthouse offers access to a terrace with views of the Manhattan skyline

million units in 1983 (a nice step-up from 1.06 million in 1982) to 1.8 million in 1984 and 1.85 million in 1985.

Past housing highs were 2.02 million in 1978 and 2.38 million in 1972.

There will be, of course, home-seekers at the posh end of the housing spectrum—and what they will be seeking in higher-priced homes will be amenities.

As a result, builders of such homes are zeroing in on providing an atmosphere of luxury, everything from elaborate health spas to golfing at the doorstep.

Says Jack DeCaro of Call Associates, developer of Florham on the Fairways, a 66-unit townhome community adjacent to Braidburn Country Club in Florham Park:

"Purchasers are looking more for value over the long term and the luxury and convenience that can be derived from a home right now. I feel the amenities and atmosphere offered at Florham on the Fairways is the main reason for brisk sales."

Such amenities include built-in wet bars, sophisticated electronic security systems, spiral staircases, etc. Prices start at \$259,500.

Homebuyers will be also putting the accent on recreational facilities in 1984.

Thus, Washington Commons in Washington Township includes jogging paths, a park area with game tables, a full-sized pool, clubhouse, tennis courts, fountains, even outdoor furniture, in its homes.

Such facilities are a big attraction to the development, according to Edward P. Carr, director of sales.

"Our recreational facilities are so popular that some of our residents decided to vacation at home this past summer to take advantage of the tennis courts, swimming pool, etc."

At the Galaxy on the Palisades, world-class luxury is available in penthouses—fully decorated and including everything from furniture to china and linens (even a plus bathrobe in the bathroom)—for a \$515,000 price tag.

And some condominiums like The Galaxy offer multi-services in luxurious malls, services like a restaurant, valet service, supermarket with a shop-by-phone arrangement, a bank, beauty shop and dentists, and a health spa and swim club.

# THE ARD APPRAISAL CO.



MCMLXV

- WILLIAM T. ARD, M.A.I.:** President. Wide variety of commercial and industrial appraising and counseling experience. Court-appointed appraiser and qualified expert witness throughout New Jersey.
- GEORGE S. CHAMPLIN, M.A.I.:** Brown University graduate and M.B.A. from Pace University. Specialist in appraising income producing properties.
- JAMES J. O'CONNELL, M.A.I.:** Over twenty-five years experience with a major national insurance company. Specialist in investment properties.
- EDWARD E. ARD, C.T.A.:** Twenty years experience appraising real property. Specialist in industrial and special purpose properties.
- RICHARD J. CAROLAN:** Six years real estate experience specializing in Union and Middlesex Counties. Residential, light commercial and industrial property.
- MARILYN M. FERRO:** Residential specialist with extensive experience in appraising for mortgage and business transfer purposes. Seton Hall University graduate.
- JANET L. LETTS:** Monmouth and Ocean County residential appraiser for mortgage, estate and transfer purposes.
- CHRISTOPHER J. ARD:** New York University graduate. Residential appraiser in Union, Middlesex, Somerset, Morris and Essex Counties.
- RICHARD J. MINERLEY:** St. Peter's College graduate. Construction background. Residential appraiser for mortgage purposes.

During the past 20 years, appraisals have been prepared on a wide variety of residential, commercial, special purpose and industrial properties. Extensive experience throughout New Jersey and the eastern and Atlantic Coast states. Among others, appraisal assignments have been completed for:

Argonaut Realty, Division of  
General Motors Corporation  
Bell Telephone Laboratories, Inc.  
Chase Manhattan Bank, N.A.  
Chemical Bank  
Chrysler Corporation  
Cities of Elizabeth, Jersey City,  
Plainfield and Rahway  
Citizens State Bank of New Jersey  
Colonial Savings & Loan Association  
Commercial Trust Co. of New Jersey  
Conrail  
Crestmont Federal S & L Association  
E. I. duPont deNemours & Co., Inc.  
Eastern Airlines, Inc.  
Employee Transfer Corporation  
Equitable Relocation Service  
Exxon Corporation  
First National State Bank - Edison  
First National State Bank  
of South Jersey  
General Electric Company  
Harmonia Savings Bank  
I.B.M. Corporation  
Lincoln Federal S & L Association

Merrill Lynch Relocation  
Management, Inc.  
Monmouth County Board of Freeholders  
National State Bank, Elizabeth  
New Jersey Department of Conservation  
& Economic Development  
New Jersey Department of  
Environmental Protection  
New Jersey Department of  
Transportation  
Ocean County Board of Freeholders  
Ocean Federal S & L Association  
Owens-Illinois  
Peoples Bank, N.A.  
Prudential Insurance Co.  
Queen City S & L Association  
Relocation Realty  
Suburban S & L Association  
Townships of Cranford, Scotch Plains,  
Springfield and Westfield  
Union County Board of Freeholders  
Union County Park Commission  
United Counties Trust Company  
U. S. Steel Corporation  
Western Electric  
Xerox Corporation