

Worcester Development

Set To Lead Nationwide Surge

By Joseph Scott

Real estate development seems poised for an upturn in 2010, according to the National Association of Realtors (NAR), and statistics indicate that Worcester County's surge has already begun.

The second-home market is buoyed by the fact that, while the national unemployment rate has topped 10 percent, the jobless rate in the Washington, D.C., area remains one of the nation's lowest, at only six percent. And the first-time home buying market continues to expand, thanks to government subsidy.

"In all, 4.4 million Americans look to take advantage of the home buyer tax credit before it expires," according to Lawrence Yun, NAR's chief economist. "Now with the tax credit deadline extended till the end of June 2010 (for closing, with contracts signed by the end of April 2010) and also available to many move-up buyers, an additional 2.6 million families would likely claim the home buyer tax credit."

With the development of many homes designed for the first-time buyer market, Worcester County has already benefited from the home buyer tax credit, even before it was extended. The tax credit, creative marketing, assertive pricing and, of course, location combined in 2009 to boost the average home price in Worcester County up by 7.9 percent over 2008, according to the Maryland Association of Realtors (MAR).

The increase raised the average home price to \$357,282, according to MAR, and made Worcester one of only four Maryland counties to enjoy an up-tick in home prices in 2009. Wicomico was another, with a 9.2-percent increase to \$208,023, suggesting that the area will be at the forefront of a development surge that will see home values increasing on a national scale by the middle of this year, according to Yun. He predicted that, "The median existing home price would rise by 2 to 4 percent in 2010. New-home sales could jump by nearly 50 percent."

Interest rates hit an all-time low last December of 4.8 percent for a 30-year fixed mortgage. They are expected to remain low, at 5 to 5.5 percent, further enhancing development.

With all the State's oceanfront lining its eastern border, Worcester County enjoys a unique marketing tool when it comes to real estate development: tourism. Visitors are potential buyers who are willing to pay to sample this product. Word about all that Worcester has to offer is being very creatively spread by the County's "Host Our Coast" promotion, which last year received the State's prestigious Visit Maryland award.

People who come here to visit often come back to stay, or they build a home here so they can visit more often and, ultimately, retire by the sea and the bays. The steady growth of Ocean Pines has proven the success of

