

Riley County Development Trends

December 2007

Introduction

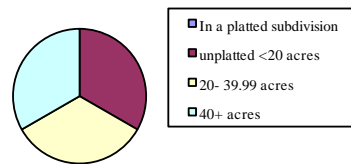
The purpose of this report is to illustrate the current residential building activity occurring in Riley County. The primary focus is to demonstrate the number of building permits issued over the course of a month/year, and the size and status (platted/unplatted) of the tract for which the permit was issued.

Current Activity

There was only one (1) residential building issued for the month of December 2007, was for an unplatted tract of land less than acres in size.

Chart I

Residential Building Permits Issued
May 2008



permit
which
20

Comparison with Previous Years

With the exception of December 2001, the number of residential building permits for the month of December 2007 was below average. Only a fourth of the number of building permits issued in 2006 were issued in 2007.

Chart II

Total Residential Building Permits
May

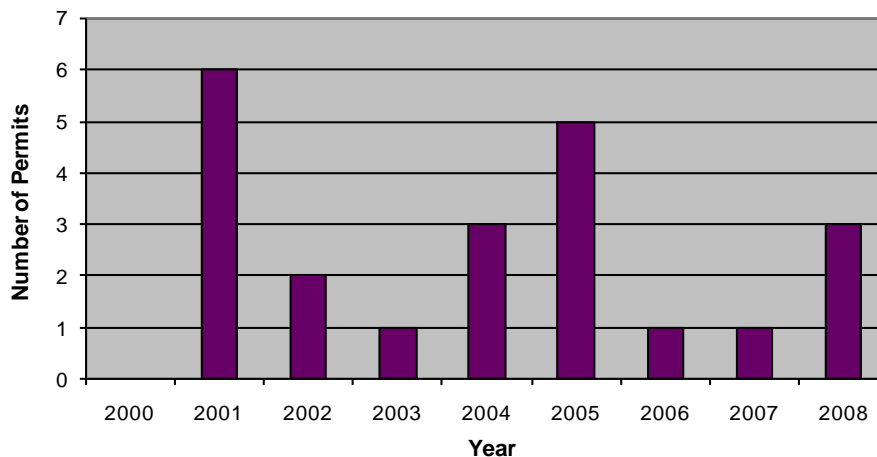
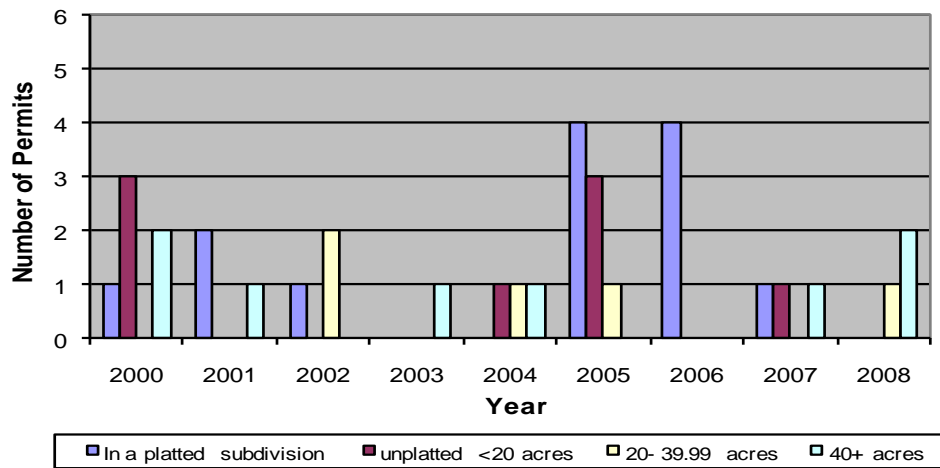


Chart III (below) illustrates the total number of residential building permits issued for the month of December, from 2000 to 2007, categorized according to size and platted/unplatted status of the property. The chart indicates that generally there are typically between 1-2 residential building permits issued in December. However, in 2007, was the only year since 2000 that residential building permits was issued for an unplatted tract of land less than 20 acres.

* For clarification, tracts of land that are less than 20 acres and are not required to plat prior to receiving a building permit, are “grandfathered”. In other words, the size of the tract was established prior to the “20-acre” rule (1980).

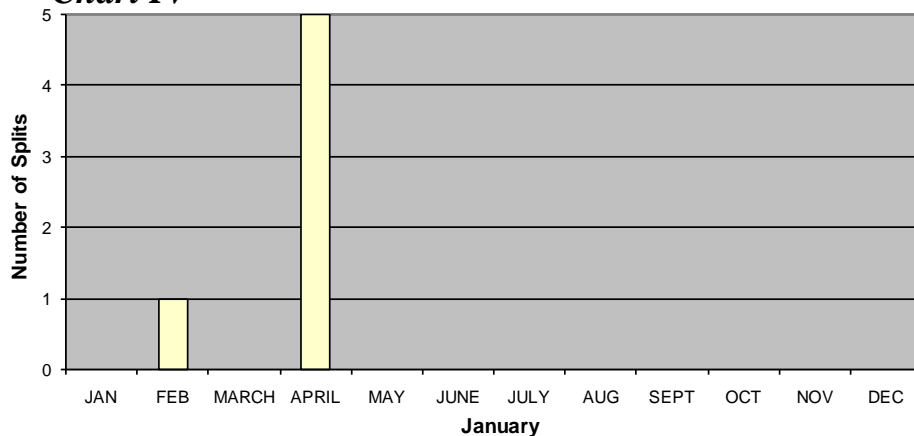
**Chart III Total Residential Building Permits
May**



20-acre Splits

There were zero property splits of 20-39.99 acres for the month of November (Chart V). As mentioned previously, there were no residential building permits issued for the same.

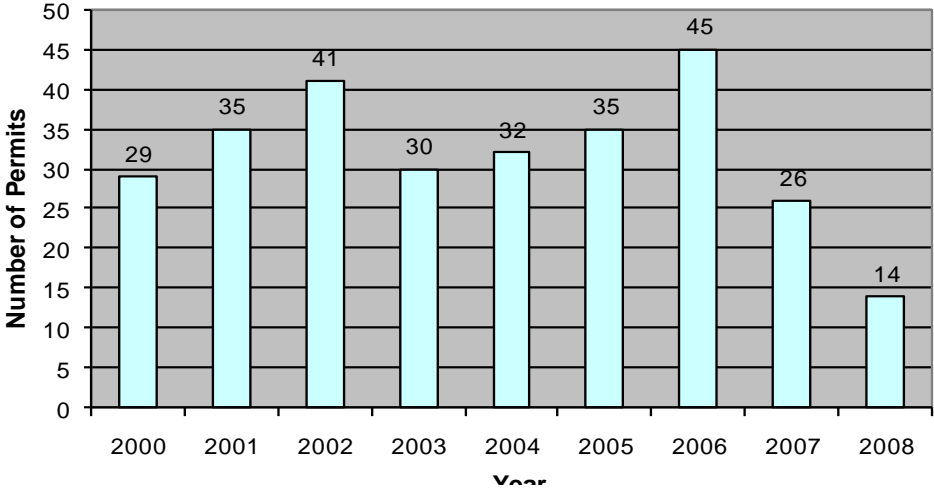
**Chart IV 2008 Property Splits
20- 39.99 acres**



The Year 2007

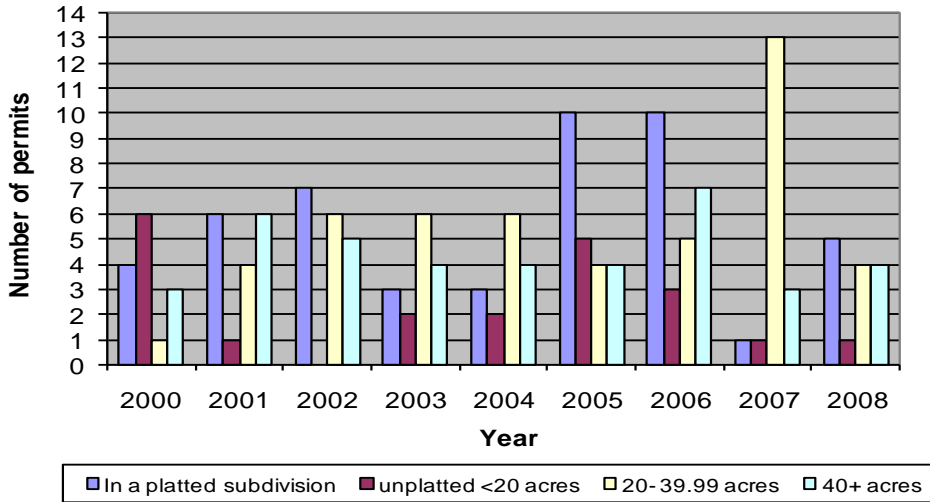
In analyzing data and interpreting development trends retrospectively, it's important to realize that the reasons or assumptions that increase or decrease the amount of building activity may differ greatly from month to month or from year to year. A perceived housing shortage paired with a possible corresponding financial windfall could cause a considerable increase in the amount of building activity in one year (2006), but followed by a year that has seen an oversaturation of the local housing market and problems in the U.S. housing market, resulting in a considerable decrease in the amount of building activity (2007). Although certain reasons that influence said increases/decreases in building activity may be considered typical in any given year, there are anomalies that infrequently occur (natural disaster, economic boom/bust, expansion of military personnel, etc.) that have a tremendous impact on development activity and reflected in the overall statistical trends.

Chart V Total Residential Building Permits
2000 - 2008



The average number of residential building permits issued from 2000 through 2007 was approximately 34 permits, with a high of 45 issued in 2006 and a low of 26 issued in 2007. There appears to be a comparative trend of residential building permit activity from 2000-2003 to 2004-2007.

**Chart VI Residential Building Permits
Jan-May (ytd)**



When categorized according to size and platted/unplatted status, as shown in Chart VI, there was a slight increase of permits issued for tracts between 20-40 acres for 2007 as compared to 2006. There also appeared to be a sharp decrease in permits issued for platted lots and properties greater than 40 acres in size.

Although the overall number of residential building permits for 2007 was the lowest since 2000, the majority of those permits were issued for unplatted tracts of land 20-40 acres in size.