

# Newville area a hot spot for housing starts

Trade winds in the local housing market have ushered in a boom of home building in the northern tip of Rock County. That's a breakout trend The Gazette spotted in its quarterly "Economic Dashboard" analysis.

By [Neil Johnson](#)

NEWVILLE—As trade winds in the local housing market continue to shift, they've ushered in a relative boom of construction of new homes in the northern tip of Rock County.

In the towns of Fulton and Milton, a few residential subdivisions sandwiched on the hillsides between Interstate 90/39 and Lake Koshkonong have become a hotbed of home building in the last few months.

More than 40 new, upper-scale homes have popped up this year, filling in previously idle lots in the wooded cul de sacs and curved streets between Mallwood and East Maple Beach drives.

In the same area, a developer has plans to kick start Lake Woods, a residential development in the towns of Fulton and Milton that got shelved during the Great Recession. New construction could start in in 2017 in a 19-lot section of Lake Woods planned in the town of Fulton, Fulton Town Clerk Connie Zimmerman said.

Lake Woods was platted prior to the recession, and some portions of the subdivision already have been built. But the landowner has adjacent property in the town of Fulton that spans nearly 100 acres of woods and farm fields. That land was platted for dozens more residential lots in 2006, according to town records.

The jump in housing starts near Newville comes amid a steady dwindling supply of existing homes for sale in Rock County and as average home sale prices countywide have continued to climb through the \$150,000 range over the last three months, according to The Gazette's Economic Dashboard, a quarterly analysis of economic data in Rock County.

Meanwhile, available land for new residential development remains at a premium countywide as remaining lots in some subdivisions platted years ago now start to fill.

Real estate broker Paula Carrier, who owns Best Realty in Edgerton, has seen her company at the center of the resurgence in Newville and at a few other subdivisions scattered around Edgerton.

Best Realty began working with Byard Home Builders, a Roscoe, Illinois, builder that owns lots in the Woodlands subdivision on a set of glacial hills overlooking the west end of Lake Koshkonong.

Carrier, whose Realty group is helping market and sell the homes, said the building started late in 2015, and the action ramped up this year. By mid-summer 2016, her group was selling new homes in the subdivision as fast as excavators could dig foundations.

“It got to the point this summer that we were selling them before we could get a foundation poured in the ground. I'm not bragging because it was pretty stressful. We're catching up now, and when I say catching up, I mean people are holding off on buying right now until at least the walls are up,” Carrier said.

Byard has built more than three dozen homes in Woodlands this year, Carrier estimated, and she said several more are planned before the end of the year. Meadow Circle, one street in Woodlands, had lots completely filled with new homes this year. The homes are a blend of larger, three- and four-bedroom homes in the 1,900- to 2,500-square-foot range—some with three-car garages.

According to real estate listings, some of those homes are selling for \$230,000 to \$270,000, a price range several notches above the average price for existing homes across Rock County.

Average sale prices for existing homes averaged \$152,000 in Rock County, compared to \$240,000 to \$250,000 range for the average home sale in the greater Madison real estate market, according to an October 2016 report from the Wisconsin Realtors Association.

Carrier said many buyers of the newly built Woodlands homes are Madison-area residents scurrying from the housing market in Dane County, where prices continue to climb and the supply of existing homes is even tighter than in Rock County.

According to Dave Clark, a Marquette University economist who helps the Wisconsin Realtors Association analyze the statewide housing market, the Madison metro area has between three and four months of available existing home inventory—the tightest inventory in the state.

In Rock County, available existing home inventory has fallen to just under five months in the last quarter, although the average sale price of a home here remains about \$12,000 below state average, according to the Wisconsin Realtors Association.

Clark said with those dynamics, he's not surprised to see interplay between the housing markets in Madison and Rock County—especially in subdivisions near the I-90/39 corridor in northern Rock County.

“When a housing market gets real tight, it leaves builders to look where the available land is. If you've got ready land in an area in Rock County that you're developing, and it's right off a highway that can easily get you to Madison, that makes it more attractive,” Clark said.

Zimmerman said much of the remaining land designated for residential development in the town of Fulton's land-use plan falls within the subdivisions in Newville that are now poised for new homes.

Zimmerman said Fulton town officials have a history of being cautious when it comes to land use and farmland preservation.

The town of Fulton recently retained an outside consultant to review development plans for Lake Woods, according to town documents.

Janesville firm Combs and Associates, which is listed in town of Fulton documents as the “surveyor and developer” of the 19-lot section of Lake Woods slated for new homes, did not respond to a Gazette inquiry about the development's ongoing plans.

This week, some strips of cornfield just west of Lake Woods and Woodlands subdivisions had real estate signs posted along the road.

Under the current real estate market conditions, Carrier expects continued home building along the nexus of Newville and I-90/39.

“We're getting back into the territory of land supply and demand,” Carrier said. “I still think it's going to be a slower pace than you'd seen a decade ago, more an ebb and flow of development. But the land available here now is going to get tapped into.”