

**Old State Realty Real Estate
Challenge At Pennsylvania
State University, University
Park, PA February 13th and
18th, 2025**



Greetings from Halifax, PA

***Editors' Note:** This case has been written specifically for the 2025 Old State Realty Real Estate Challenge. The case involves a real site, and a real project that Old State Realty will be proposing on. The case is designed to be as reflective of the real development and your deliverables should reflect as such. Your deliverables will potentially have an effect on the future development of the site. However in order to preserve current relationships, contacting former, current, or future government officials, owners, or other professionals who are now or have been affiliated or otherwise involved the site itself is absolutely and strictly prohibited for the teams.*

The case is designed to provide a thorough and balanced application of both qualitative and quantitative skills regarding real estate development. Please do not distribute the case beyond the teams participating in the 2025 competition.

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Thanks for your participation!

Greetings from Halifax Township, PA

Halifax Township is located on the east side of the Susquehanna River in upper Dauphin County, encompassing 27.9 square miles of land, and 4.2 square miles of water. The community is rural in character with a population of 3,483 people. Land use within the Township is primarily agriculture and forest land mixed with low density residential lots, and a corridor of moderate density residential development and limited commercial establishments located within the State Route 147 corridor. The Township surrounds Halifax Borough, which provides a quaint downtown and community center for residents. The Halifax Area School District encompasses Halifax Borough, Halifax Township, Jackson Township and Wayne Township, which is approximately 83 square miles. The District serves about 1,200 students and has a resident population of 7,366, according to the 2000 federal census data.

Halifax Township is governed by a 5 member Board of Supervisors, and has a 5 member Planning Commission. The Township employs a road master, who has assisted with general maintenance of the park property. Halifax Township does not have zoning regulations, but the proposed Master Site Plan for the park will need to conform to the Halifax Township Comprehensive Plan, The Valleys Regional Comprehensive Plan, as well as Article IV activities; Uses; Disturbance of Resources; and of the Conservation and Preservation Easement on the property. The original park property contains approximately 174 acres, of which there is a 1.99 acre parcel that surrounds the farmstead structures and is excluded from the easement. The remaining 172 acres is governed by the conservation easement, which generally prohibits development of the land - except for the reconstruction of Fort Halifax, conservation, passive recreation and related support facilities.

Fort Halifax Park

The Fort Halifax Park property was previously owned by the Sarah E. Yeager Family. They grew up farming this land and fishing these waters, and held a vision to preserve the property as public open space for conservation and passive recreation. To help meet this goal, assistance was provided by PaDCNR Bureau of Recreation and Conservation, the Central Pennsylvania Conservancy, Dauphin County, the Friends of Fort Halifax Park, Inc., corporate and private donors, and Halifax Township. Through their collaborative efforts the land was purchased, protected by conservation easement, and became the property of Halifax Township for use as a passive public recreation and open space.

This 1756 colonial fort offered protection for the travelers making their way from Fort Hunter to Fort Augusta near Sunbury. Built by British soldiers, this fort has been the key point of interest with history buffs who realize that of the three forts in Central Pennsylvania, this is the only one that could be rebuilt near or on its original location. This historical resource offers the park exceptional potential for heritage tourism and education. Additional heritage tourism and education opportunities include:

- Pre-colonial (Native American) and Colonial Settlement: Armstrong Creek provided food and pelts for pre-colonial settlements, and the nearby site of General Armstrong's mill and trading post gives this property archaeological significance.
- Agricultural Heritage: Agriculture was a driving force in colonial America, and the farmstead structures on this site provide good examples of period agrarian architecture.

- The Transportation Story: the advancement of transportation systems was a driving force in the development of the United States of America. For educational purposes this property has direct or visual access to the following significant transportation systems:
 - Susquehanna River
 - Buffalo Park Road
 - Wiconisco Canal
 - Norfolk Southern Railroad
 - The present Route 147 - also known as Legislative Route 1 - was the most important highway leading from Harrisburg to New York.
- The Historic Sycamore Allee: This World War I Sycamore Allee' is listed on the National Historic Register for sites to see in America. It is only the second Allee' to make the United States' honorary listing. Planted in April, 1922 at the direction of President Warren G. Harding, the trees were planted to honor World War 1 veterans and to beautify the nation's most important highways.
- In addition to heritage education, this property holds potential for being a model of conservation planning which can teach science/ecology and stewardship. Connector trails throughout the park will offer jogging/walking/cross-country skiing opportunities, and open spaces that can be used to teach life sports and support healthy living within a community. These trails will also provide access to diverse habitats for plant identification, bird watching, stargazing, fishing, and general spiritual renewal. Fort Halifax park holds potential to offer the following benefits to Halifax Township and its residents.

Fort Halifax Building Envelope:



- 1.99 Acres (Separate Deed that will be owned Fee Simple)
- Access to Route 147 via a township road that is currently being turned into a public road (Please See Road Plan in Supporting Docs.)
- 2 Houses (See Fort Halifax Feasibility Study in Supporting Docs. for pictures)
- 1 Barn (See Fort Halifax Feasibility Study in Supporting Docs. for pictures)
- Electric
- Private Residential Septic tanks (Public Sewer can be added by towns septic and water authority at cost)
- Private Well (Public Sewer can be added by towns septic and water authority at cost)

Fort Halifax Development History

The development of Fort Halifax has been a series of starts and stops for several decades. As new township supervisors come and go new ideas and research would be conducted with nothing ever materializing. Another stakeholder in Fort Halifax is the Friends of Fort Halifax Non-profit that operates as a 501-C and was one of the donating parties to purchase the park. The Friends of Fort Halifax does not have any ownership or operational power but operates alongside the township often with a power struggle. With-in the building envelope there are several Eagle Scout Projects, Friends of Fort Halifax Projects, and buildings that Friends of Fort Halifax uses for their organization. The Friends of Fort Halifax have expressed that they would not like to see the farm house or the barn be demolished. An email from the current president of the Friends of Fort Halifax can be found in the supporting documents. Be sure to include how you plan to address the concerns of the Friends if you remove these buildings. The Friends of Fort Halifax has also proposed a development plan for the property and can be found on their website, <https://www.forthalifaxpark.org/>, or in the supporting document Fort Halifax Master Site Plan.

Your Task

The current Township board of supervisors has decided to create a new deed to a parcel for the 1.99 acre building envelope and is currently looking for a buyer. They do not have a list price as they are not interested in making a large amount of money from the sale but instead looking to find a buyer that they feel will, “develop something that will be an attraction for all of Dauphin County.” Some ideas and opinions the township has can be found in this article that they had written by a local news station, <https://www.pennlive.com/outdoors/2024/11/historical-dauphin-county-park-subdivided-with-hope-of-attracting-business.html>

Your job is to create a development plan to present to the Halifax Township Board of Supervisors and Friends of Fort Halifax. The plan should provide acceptable financial outcomes to Old State Realty and its partners and be additive to the local community not only once completed but also through the development process.

Development Costs

Although you can not reach out to any government officials or stakeholders of the site you are encouraged to reach out to companies to try and get sound development costs for your project.

Financing Terms

OSR does not have any funds for the project except for the money its members put up for the project. Propose how the project will be funded. This project does qualify for County, State, and Federal Programs.

Assignment

Your team will deliver your submission electronically via Personal email address to EthanSnyderPSU@gmail.com and LukeGWanger4@gmail.com by 9:00 a.m. EST on Thursday, February 13, 2025. The analysis is meant to show the best use for the site given the needs of both OSR and the community. You should assume that you are presenting to the Township and all other stakeholders including but not limited to Friends of Fort Halifax. The analysis should include a full development plan including timelines, costs and expected value of the developed properties upon stabilization. In addition, your team should identify the type of partner (or a specific partner) for a project of the type and scope that your team is recommending. Your recommendation should include support for how the proposed project fits within the desires of the Township. The financial performance needs of the project will vary based on the type of partner OSR ultimately chooses, so broad performance metrics like stabilized return on cost and investment multiples will be useful in attracting partners. Include returns for OSR member investments into the project. Example would be return for an \$1,000 investment into the project.

The top 3 presentations will be chosen by the OSR Board of Judges and announced on Thursday, February 20, 2025. Upon completion of the competition captains of each team will survive as representatives to meet with the OSR executive board to finalize one plan for presentation to Halifax Township.

Good luck!

Timeline:

Case Released 1/14/2025

Site Visit 1/21/25

Case Due 02/13/2025

Presentations Day 1 02/13/2025

Presentations Day 2 02/18/2025

Tips:

1. Please feel free to make reasonable assumptions. This will prevent delays that could slow your analysis. We recommend that you state the most important of these assumptions to the judges during your presentation.
2. The case is set in the present. Please utilize any outside knowledge that you have as to the current state of interest rates, capital markets, property cycles, the economy, demographic trends, or anything else that you think would be useful for your analysis.
3. Assume all parties in the case act in their own best interests.
4. Teams will be judged on how well they support their deliverables to the OSR Team of Judges. Judges will view the proposals for accuracy and creativity as well as presentation style.
5. The judges will base their assessment of each team on a combination of qualitative and quantitative factors.