



# The Deep Creek Lake RESORT REPORT

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## HOW'S THE MARKET?

As we move into the 2nd quarter of 2009, the most common question from potential buyers and sellers in the Deep Creek Lake market is – “How’s the market doing?” – a pretty basic, straightforward question – but a complex one none the less. Here are the current facts we know:

- It’s a completely different atmosphere right now than it was just a few years ago – or even just a few months ago for that matter. Buyers are currently looking but many are moving slowly and most of the ones acting are making conservative offers.

- Sellers are still holding their ground on price but this divide with the current set of buyers is causing overall less contract and sales activity.

- We still do not have an abundance of distress sales such as short sales, foreclosures, and bank owned properties in the area. That could change but we don’t think it will that much.

- The number of transactions have declined but the average sold price in the Deep Creek Lake is actually higher. Lake-front property continues to hold value however, other segments in the lake market have slipped in value.

The bottom line is the Deep Creek Lake real estate market appears to be returning to more “traditional” times – back to the same steady market we last saw prior to 9/11 and the national real estate boom. A market that has historically produced stable to increasing property values over time.

The Pittsburgh market hasn’t been impacted as much as other surrounding markets during this downturn and the pace of home sales in the Baltimore – Washington DC markets is beginning to show signs of life with current and future government



spending proposed by the new administration. Being fed by both markets, Deep Creek Lake has weathered these conditions in the past and is positioned to capitalize on the overall strength of these metropolitan markets.

If you are actively considering second home ownership now may be the best time to move. Conforming interest rates are at or near all time lows, inventory is higher than normal, and lower than normal demand provides buyers with the best environment to purchase. Consideration should also be given to the fact that the Deep Creek market has historically shown increasing and stable property values over time – even during this most recent and past downturns in the economy.

When it is all said and done property ownership at Deep Creek Lake is so much more than a financial decision. It is an investment in your family and lifestyle. We look forward to helping you make your next lifestyle decision.

## WHERE EVERYBODY KNEW YOUR NAME

Just after World War II, with families being more mobile and the idea of summer vacations becoming popular, the Deep Creek Lake area experienced an initial shortage of purpose built lodging, motels, taverns and restaurants. Ever ingenious, and with a minimum of fuss and bother, our local businesses found memorable ways and places to provide the services that tourists demanded. More than once, existing buildings, barns and homes were retrofitted to provide quaint but hospitable places for food and drink during the day, or for some interesting and unique entertainment at night.

The rustic log lodge and barn motif seems to have been a favorite style of the time. One of the most famous, Thayer's Barn, was located along the shores of the lake near the present day Lakeside Creamery. Once used as an actual barn, Norma and Bob Fike operated it as a tavern and restaurant that was quite popular with locals and tourists alike. Many say it was THE place to go for dancing and fun. Some say that with enough "lubrication" you could try and dive from the back porch right into the lake. Many memories were to be made and had at Thayer's Barn.

Just south was a rustic log restaurant, The Cabin Lodge, that advertised for a "sparkling evening, join the folks who drop in here. Perfect food and refreshments, including the leading beers. A perfect floor for dancing... Cabin Lodge, known Coast to Coast". The Lodge was operated by Eddie and Louise Frey and had its beginnings as an ice cream stand, then a souvenir stand, and finally blossoming into a grand log restaurant with a "Fireside Dining Room overlooking beautiful Deep

*Right: Thayer's Barn, located along the shores of the lake near present day Lakeside Creamery.*

*Below: The Cabin Lodge, a grand log restaurant with a Fireside Dining Room overlooking Deep Creek Lake.*



Creek Lake." Many say that Cabin Lodge had the best fried chicken in the county, served with no knives, no forks, "just a bib and a tub of water".

Red Run Lodge's barn was once part of a working farm. The original owners had acquired the property from the Eastern Land Corporation (who had purchased the lands around the lake for Penelec). The area around the barn later became known as "The McComas Tract" or "McComas Beach" and during the 1950s the McComas family began to sell lakefront lots. One retired DNR park ranger remembers riding a pony to McComas Beach as young teenager in the 1950s. He and his buddies camped for days along the shore, living on fish, potatoes and canned beans.

During the 1960s, Red Run Lodge grew in favor as a local restaurant and watering hole. It was especially popular with the Wisp ski patrol. Many locals remember going on a date to watch movies upstairs

in the barn. Eventually the grounds around the lodge morphed into the Red Run Condominium, with the Red Run Inn in the center to carry on its restaurant and club tradition.

The old Deep Creek Lodge was a purpose built establishment on the site of present day Ski Harbor condominium. Operated by Marge and "Fats" Funk, it was very popular with the McHenry crowd. Deep Creek Lodge was a tourist destination, offering a "kitchenette type motel", meals, cabins, dock space and mobile homes. "Fats" was evidently a great host, and kept the conversation as warm as the fire in the immense fireplace that was in the restaurant. The Deep Creek Lodge offered live country and western music and dancing on Saturday nights.

As more people discovered the lake, the larger establishments could not meet all of the demand for evening entertainment. A unique venue also

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*Railey's Stone Tavern*

developed during this time... that of the house turned club. Places like “The Cellar Door” and “Bobby Who’s” are prime examples.

“Bobby Who’s” was located in McHenry where Sunplace condominium is now on Deep Creek Drive. One local says that Bobby offered food and drink in the basement of the house and that “Uncle Cliff” lived upstairs. “The establish-

ment looked just like a basement in a house”. To get into the place, you walked from the parking lot across the soft ground on wooden boards. There was often live band music to enjoy with your fare.

Just south on Deep Creek Drive was “The Cellar Door”, which had been converted from a house and which you literally entered through the cellar door. Food and drink was

to be had downstairs, while the upstairs had a dance floor. According to one well known local, “I spent many an evening there. It was some place.” Dancing and live music were especially popular at the time.

There were many other night-spots that are long gone. The mention of “Storey’s Bar” conjures up memories of a one room tavern where everyone knew the bartender, Norma, and Norma knew everyone back. Many locals still remember “The Pink Panther”, “Railey’s Stone Tavern”, and “Zumps”, all now gone. We even once had summer theater in “The Blue Barn”.

As one local resident put it... “They were all like “Cheers” on TV, everyone knew everyone else and you all looked out for each other. If you needed a ride home, you got one. If you needed a little cheering up, you could get that, too. It was a wonderful time.”

## DNR POLICY CHANGE – SPECIAL PERMITS NOW REQUIRED FOR GRANDFATHERED IMPROVEMENTS ON THE BUFFER STRIP

There has been a change in DNR’s policy with regard to how older “grandfathered” improvements on the buffer strip will be recognized. Historically, property owners with any buffer strip improvement that existed with Penelec or DNR approval prior to DNR’s original management of the lake in 1980, or before DNR’s first set of regulations in 1986, were not required to obtain a permit to have it validated or recorded. DNR’s permitting program was intended for new improvements and DNR would simply document the older grandfathered improvement in their site inspection reports.

DNR Lake Manager Carolyn Mathews has informed the Garrett County Board of Realtors® that the state is reinterpreting the regulations and is requiring property owners to apply for a Special Permit when DNR identifies a grandfathered improvement during a site inspection. While most of these improvements will probably be approved, DNR reserves the right to require the removal or significant alterations to the grandfathered improvement in order to receive a permit. The permitting process appears to provide DNR the method and leverage to do so.

If you are thinking about selling or listing your house, it is important

to interact with DNR to ensure that your buffer strip and improvements are valid and permitted by them. Permit approvals may take several weeks to obtain, so it is best to coordinate this early in the listing process. Depending on the terms of a contract of sale, and the timing of DNR’s inspection, your closing may be impacted should there be any unexpected DNR permit issues.

DNR’s lake management staff work out of the Deep Creek Lake State Park office on State Park Road and can be reached by phone at (301) 387-4111 or 4112. Office hours are Monday through Friday, excluding state holidays.

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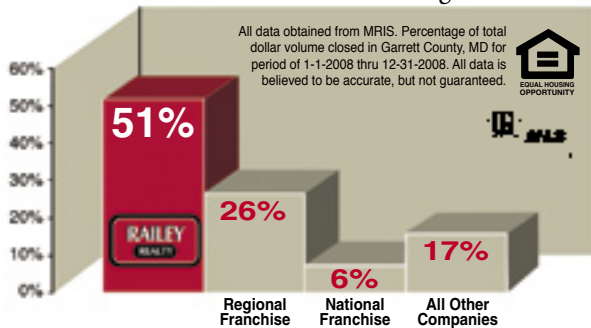


*Conveniently located on Route 219, next to the Visitors Center*

The goal of this newsletter is to keep you informed on the local real estate market along with keeping you in touch with the issues impacting this market. We will also attempt to bring you interesting stories about the people and heritage that make Deep Creek Lake and Garrett County, Maryland such a special place.

*It is not our intention to solicit clients from other Brokers with this newsletter. If your property is currently listed for sale with another Broker, please consult that brokerage for your real estate needs.*

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