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Creative Coastal

Small Florida builder makes a big splash

>> BY **BILL LURZ,** *SENIOR EDITOR*

Creative Coastal

Sabal Homes is in growth mode in 2005 — thanks to a California-designed house that's stirring buyers on the west coast of Florida.

If you own a small production building company and want to learn how to make a big splash in your market — against the competition of much larger firms — take a look at what Sabal Homes did with the Tradewind model at MiraBay, a master-planned community on the eastern shore of Tampa Bay, Fla.

Sabal Homes, headquartered in the Tampa suburb of Brandon, Fla., is a family business run by Jim Lee and his two sons, Bill and Tom (although Tom is now busy outside the firm, serving as the second most powerful political leader in Florida — president of the Florida Senate). Last year, Sabal sold 50 houses for $24 million in revenue, specializing in semi-custom homes for affluent families, all built in master-planned communities.

Opportunities

In 1999, Jim Lee attended a presentation by Terrabrook Communities, the original developer, on its sketched plans for MiraBay. The plans called for a unique boating community of 750 acres, with 928 detached homes, many with boat docks, located on a network of canals with direct access to Tampa Bay and the Gulf of Mexico. The project would also include attached and multi-family homes, but it was the single-family lots that Jim Lee wanted to get his hands on.

"We absolutely saw that this would be a great success because of the extreme demand for lots of this type," Jim Lee says today, "so we wanted to get a lot position in that community.

"We believed that our unique architecture would be an ace-in-the-hole for us to get into MiraBay, and to successfully compete when we got that chance."

For more than 15 years, the Lees have relied on Southern California architect Aram Bassenian to provide Sabal Homes with a distinctive style of architecture that stands out in the Florida market. "They say you either love your architects or hate them, and sometimes you do both," Jim Lee says, "but I can tell you, we love ours. Their designs are what we're known for."

Obstacles

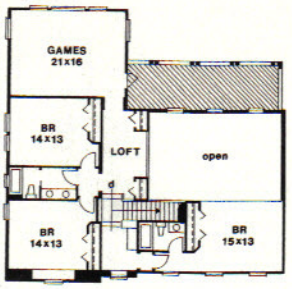
Getting lots in MiraBay was not easy, especially for a small builder like Sabal Homes. The Lees were not alone in assessing the property as a can't-miss blockbuster in the making. Every builder in the Tampa Bay market coveted a position at MiraBay. But the Lees have a

VITAL STATS
The Tradewind, MiraBay

Location: Apollo Beach, Fla.
Community size: 750 acres; 1,400 units (928 detached)
Developer: Newland Communities, San Diego, Calif.
Builder: Sabal Homes, Brandon, Fla.
Architect: Bassenian/Lagoni Architects, Newport Beach, Calif.
Interior Designer: Creative Design Consultants, Costa Mesa, Calif.
Pre-sales: January, 2004
Models opened: October, 2004
Home type: Single-family detached
Plans: 6
Square footage: 2,965 to 4,000 (air conditioned); Tradewind square footage: 4000
Homes sold: 48 (15 Tradewinds)
Home prices: $450,000 to $623,000 (excluding lot)
Lot prices: $140,000 to $358,000
Buyer profile: Affluent families, empty-nesters

TRADEWIND MODEL'S ELEVATION wows visitors with a wide front porch (7 feet deep) facing a front motor court enclosed by side-entry garages on either side.

20-FOOT VOLUME (left) highlights the home's centerpiece dining/living room, open to a loft/study area that fronts secondary bedrooms on the second floor (floor plan, right).



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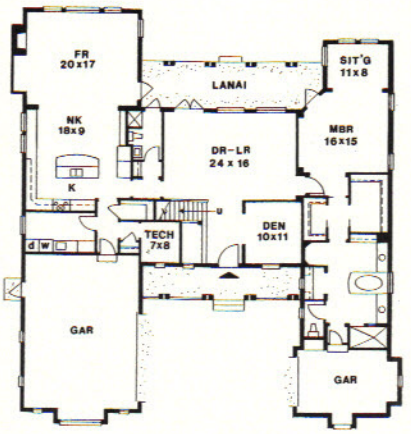

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track record of success in high-end, semi-custom master-planned communities. That record includes survival of the 1990-91 recession, when many larger builders walked away from lot-takedown contracts, leaving developers high and dry.

"It's tough to compete for lot positions today with big builders who have cash to throw around," Jim Lee says, "but we can point to the fact that we not only survived the recession in the early '90s, we thrived, and helped to keep the developers' heads above water — and I credit that, to a large degree, on the design leadership position Bassenian's architecture gave us. It's a unique style that no other builder here has matched."

The Lees got a shot in MiraBay, and even when Terrabrook sold it to San Diego-based Newland Communities, they retained that position.

Bill Lee says working with an architect 3,000 miles away is a challenge: "Our Florida building codes, with all the wind load issues, drive them crazy, and just the logistics of getting together are difficult. But we think it's worth the trouble. All the challenges, and additional costs, make it easy for other builders to stick with Florida designers. There's nothing wrong with that, but it makes us unique, and buyers are willing to pay for that uniqueness.

"Bassenian/Lagoni is a real builder's architect," he says. "They define their own success in terms of ours. They want sales, and they know how to create perceived value in house plans that are not difficult or excessively expensive to build."

Outcome

Sabal has two models at MiraBay: the 4,000 square-foot Tradewind and 3,350 square-foot Gulfview. But it is the Tradewind that most strengthens the Lees' reputation for distinctive designs that thrill buyers. Bassenian/Lagoni senior designer Hans Anderle calls it a "Boca Grande" style home. "It's Old Florida coastal architecture," he says, "characterized by horizontal wood siding (actually fiber-cement in this case), box-bay pop-outs, and of course, the metal roof."

The Lees have already sold 48 homes in MiraBay and the runaway leader is the Tradewind with 15 contracts. Bill Lee says Sabal sold homes at a rate double its nearest competitor at this price point — so fast that it ran out of lots.

"We couldn't get any lots for six months, until Newland opened a new section. And the prices of the lots we are

BACK OF TRADEWIND (above, left) features traditional Florida lanai facing the pool, with entries into family, dining/living and master bedroom. Upstairs, optional covered deck is accessible from game room (see plan). Master bathroom is shown (above, right) as you would view it entering from master garage (see plan).

building on now are up 30%. We've sold five more homes in the new section, even though we are competing against builders who are still selling on lower-priced lots. All of our new contracts are for homes priced more than $1 million when the price of the lot is added in."

One key to the Tradewind's success is its ability to house three cars in garages that still do not overpower the elevation. "Buyers wanted a three-car garage," says Bill Lee, "and the other builders had trouble with that on an 80 X 110-foot lot."

Anderle says a turn-in garage is a natural solution, and adding a second garage on the opposite side of the elevation, creating a front motor court, actually enhances the elevation.

But look closely and you'll see some other touches of real genius in this plan. The big garage is actually large enough for three cars (though there's no space for a third garage door). That additional space meets one of the greatest demands of Florida buyers — more storage.

Now look at the small garage and note that it provides entry into the house via the master bath. "That's actually been a big hit with buyers," Bill Lee says. "They can jump out the car and into a swim suit, and head straight for the pool. They keep their SUV in the other garage and use it to bring home groceries, but they keep their special car in the garage on the master wing of the house."

The Lees say the Tradewind scores additional points for the elegance of its style and the functionality of the floor plan. Unlike most Florida homes, this one has a clear division of spaces. "The kitchen and nook are separate from the dining/living room at the center of the home, and between it and the family room," Anderle says. "All of those spaces function separately, which is more formal than many plans you see in Florida. We meet the need for a pool bath by tucking it between the kitchen and dining/living room, with direct entry off the lanai."

Another popular feature is the small "tech space" off the laundry room, which Anderle envisioned as a very private small office. But interior merchandiser Julie Stark of Southern California-based Creative Design Consultants chose to use it as a ground-level wine cellar.

Stark also chose one of the home's most endearing features — the bleached oak floors that enliven the family room and kitchen. The 5-inch-wide oak planks are custom pre-finished with a brown beveled edge. "We wanted a sort of driftwood feel," Stark says, "very beachy coastal. The Tradewind is a very relaxed, comfortable, coastal living home. The furnishings are all tailored, but not too formal. It is relaxed elegance with a lot of texture in the ceilings, floors, walls and upholstery. It is elegant, but it has almost a timeworn quality."

Sabal builds the base Tradewind for $78 a square foot in hard costs (materials and labor only), although the model home came in higher at $114 a square foot. It sells for $623,000 today (without land) on lots that now range from $140,000 off the water to $358,000 on it. **PB**

SABAL HOMES

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by Heather McCune

Ingenuity Trumps Big

I love this business. I am forever surprised by the ingenious ways each of you finds to thrive and profit in the competitive business of new home building. Leaders in this business truly demonstrate that ingenuity trumps big every time.

This issue celebrates that commitment to excel, to stand apart, that personifies the best builders — be they big or small. Builder Jim Lee of Sabal Homes in Brandon, Fla., confronted a problem common to most small-volume production builders: securing lots in the sought-after master-planned community of MiraBay in Apollo Beach, Fla. Every builder in the Tampa Bay coveted a position at MiraBay and most had a lot more cash to throw around than did Jim Lee and his two sons, Bill and Tom.

What eventually earned Sabal Homes a position at MiraBay is a reputation established over nearly two decades for both design leadership and business leadership. An outfront design position puts Sabal on the edge, building floorplans and executing elevations on high-end, semi-custom homes that are unlike anything else in the marketplace. In Florida, this means capitalizing on "Old Florida" architecture — horizontal fiber cement siding, box-bay pop-outs and metal roofs. Interiors offer buyers clear division of spaces — a totally anti-Florida architectural idea. What's more, Sabal delivers distinctive homes through its relationship with a California architect!

This market position carried the company through the devastating buyer's recession of the early 1990s when Sabal's homes continued to sell.

Sabal's design pioneer status also pushed the Lee's into a position of business leadership. When housing went bust in Florida in 1990, the Lees held to Sabal's lot takedown schedule with developers when other, larger builders walked away.

A winning recipe with buyers combined with a winning reputation with past developers earned Sabal an attractive lot inventory at MiraBay.

Further up the Eastern seaboard in Lancaster County, Pa., Charter Homes created a new kind of community in the area — Veranda — by working with the township to write a new type of zoning and pioneer a new kind of land plan. In its newest community, Charter Homes puts 183 homes — a mix of single family, carriage homes and townhomes — on 62.8 acres, with a little more than 17 acres left for open space.

> "I am forever surprised by the ingenious ways each of you finds to thrive and profit in the competitive home building business.

Much like Sabal Homes, Veranda offers buyers strong, distinctive architecture and a creative community plan. What the community says about Charter Homes is similar. CEO Rob Bowman and his team practice the ingenuity and patience to develop value-oriented products that set the company apart.

Ingenuity doesn't emerge from a corporate office or a pick-up truck. It's a matter of the head and the heart coming together to create the unique. **PB**

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