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Harwood International adds luxury homes unit

Dallas Business Journal - by [Katherine Cromer Brock](#) Staff writer

Despite an economy in which most builders are running from starting speculative homes, Harwood International's new luxury homes division is moving forward with development plans in Sunnyvale.

"We kind of see ourselves as a contrarian, starting something when other developers aren't getting financed in the market," said Chad Lavender, president of the division.

This is the first foray into single-family residences for the developer of the 17-city-block Harwood District of office, residential towers, retail and restaurants in Uptown.

Harwood has teamed up with Dallas-area architects Boerder Snyder and homebuilder Bob Pavlis, who has committed to building the first three homes in St. James Park.

St. James Park will include 49 2-acre lots. The 5,000- to 6,000-square-foot houses will sell for \$1 million to \$2 million, Lavender said. The development cost for St. James Park has previously been reported in the Dallas Business Journal at \$10 million.

The groundbreaking on the first house will be April 4. The home will be finished in January, Lavender said.

"I don't have any reservations," said Pavlis of building on spec in the current real estate market.

"When you look six to nine months down the road, there's not going to be hardly any inventory out there," he said.

Said Ted Wilson, principal of Dallas-based **Residential Strategies Inc.**: "I hope he's right. Obviously the market has slowed, but we're still moving property right now." A hurdle in selling the houses will be consumers getting financed in the tight credit market, Wilson said.

But Pavlis, a former president of the Home Builders Association of Greater Dallas, is secure that Sunnyvale will attract buyers.

According to RSI data, Sunnyvale had 76 housing starts and 100 closings in 2008. There was a 5.3-month inventory of lots. The median home price was \$403,189 vs. a median home price of \$208,000 and a 3.41-month supply of finished vacant lots in the D-FW market.

"It looks to me like Southlake 20 years ago," Pavlis said of the Sunnyvale market.

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