

REAL ESTATE

GHO Homes building house for first time on island

BY STEVEN M. THOMAS
Staff Writer

One of the county's largest homebuilders is coming to the barrier island for the first time, expanding its "build on your lot" program to South Beach.

GHO Homes, which is currently active in seven mainland subdivisions in Inland River County, will launch its island initiative by building a 2,400-square-foot house on Coquina Drive for a couple from the northeast.

"Lot, home, everything, the client will be out the door for half a million dollars," says Dale Sorensen Real Estate agent Scott Reynolds, who helped put the deal together.

That will make the up-to-code, custom-designed house half a block from the ocean by far the least expensive new home on the island.

"I am looking for a couple of other lots to build on at the same time," says GHO President Bill Handler, who has had success selling spec homes on the mainland. "It is more efficient for us to build several houses in the same area simultaneously."

Handler brings a strong track record and superb sense of timing to his latest venture.

Founded 25 years ago by Bill's father Dan Handler, GHO had a great run in the 1990s and early 2000s, looming large enough on the homebuilder radar screen that Woodside Homes, one of the largest builders in the country, bought the company – land, lots, half-built homes and all – in 2005, paying top dollar at the peak of the property boom.

Handler stayed on with Woodside to manage its Florida division extending from Daytona to the Keys.

Like most other big builders that



GHO President Bill Handler, who has built 800 homes in Indian River County, is expanding his business to the barrier island

PHOTO BY BEN JAMIN HAGER

went on buying sprees when land was selling for mortgage-security-inflated prices, Woodside collapsed under the weight of debt a few years into the housing crisis, filing for bankruptcy in 2008.

In 2010, Handler bought back everything he had sold Woodside for a fraction of what Woodside paid and re-launched GHO.

"He did great in that deal," says Bob Keating, county community development director. "He sold high and bought back for dimes on the dollar."

"There was a little bit of lucky timing on that," says Handler.

Using some of his surplus cash, Handler has added to his inventory by buying finished lots in other stalled subdivisions, including South Lakes, Lake Tangelo, Park Lane and Diamond Court Village.

"Most of the time, we bought all of the lots available in the subdivision, but often that was not a huge number," Handler says. "In South Lake there were 30 lots and we bought them all. In Tangelo there were 10 lots, and we bought all of those."

Handler says he picked up lots in Lake Tangelo that had been priced at \$100,000 for \$19,000.

GHO is developing new land at Fieldstone Ranch, a north county community with 129 home sites where Handler had success selling to island residents looking for lower taxes and insurance rates.

"We have six or seven starts in Fieldstone right now and we just launched a phase two with 22 new lots, including some awesome lakefront sites."

Handler has built million-dollar homes but says the sweet spot for his company's "on-your-lot" homes is in the \$300,000 to \$800,000 range. His current subdivision offerings on the mainland range from \$180,000 to a

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little over \$400,000 in price, and from 1,850 square feet to 3,500 square feet in size.

"Our homes are usually around \$100 per square foot," he says. "The great majority of what we are selling is in the \$250,000 range."

Keating says GHO has pulled permits for 22 new homes so far this year, which makes it third most active builder after D.R. Horton and Pulte. Handler says he has another 12 or 13 permit applications in the approval process.

According to his website, he has built more than 900 homes in the county since the company was founded.

He also has projects in Daytona, where he is selling 100 developed lots, and Port St. Lucie, where he is building 92 homes in Bedford Park within Tradition, an 8,300-acre, 2,400-home master-planned community that has drawn national attention.

"That is going very, very well," Handler says.

Handler attributes much of GHO's success to his ability to quickly and economically customize any of his models to suit buyer requirements.

"We customize everything. That is a real key," he says.

He also offers a "year-to-close" program that allows people near-



ing retirement to lock in a new-home price for up to 12 months when they sign a contract.

Spec homes in the form of furnished models also help drive sales.

"A furnished model is the most powerful sales tool there is," Handler says. "Floor plans are fine, but people want to be able to walk through the home and see what it actually looks and feels like."

A model home was what attracted

the South Beach buyers to GHO.

"I had a great client looking for a home in Vero. I showed them Castaway Cove on the island but they wanted someplace without an association," says Reynolds.

"They also liked some of the new construction on the mainland. I showed them Bill's model in Stoney Brook Farm and it was exactly what they wanted in terms of size and quality, but they are from Cape Cod and

they wanted the beach lifestyle. They wanted to be able to walk to the ocean and bicycle to Waldo's or Cravings."

After meeting with several builders, Reynolds's clients decided to have Handler build one of his models, customized for their needs, on a quarter-acre lot on Coquina.

"They had a floor plan they brought from up north that had some of what they wanted and Bill jumped on that and had an estimate for their house with a complete price schedule for finishes and upgrades within two days," Reynolds says.

"I am very picky and if I was going to have someone build a house I would hire Bill. He is young and energetic and can bring any level of flair you want. He has the same sales people and tradesmen he has had for 15 years."

"I think GHO is a quality builder," says Keating.

According to Reynolds, lots are scarce on the island but there are some in South Beach, Sandpointe and other neighborhoods in the \$90,000-to-\$150,000 range that will allow Handler to offer new custom homes for around \$500,000.

"It will be interesting to see how the established island builders respond," says Reynolds. ■



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