

'Green' condos finding a market

Project south of downtown Dallas has lower prices

BY CHRISTINE PEREZ | STAFF WRITER

When it comes to new condo development in Dallas, Buzz is breaking all the rules.

Unlike the luxury high-rise towers being built in Uptown, the \$8 million, 49-unit Buzz will be a lowly four stories, situated just south of downtown in an area known as The Cedars.

There will be no swanky pools or wine cellars as amenities — but buyers will get spiffy new electric-powered Mopeds. Buzz also will be "green," with rainwater irrigation systems, wind-powered electric service, extended overhangs to generate shade, terrazzo tiling made from recycled glass and drought-tolerant landscaping.

It's the first residential project for Dallas-based Change



CREATING A BUZZ: Will Pinkerton, left, and Zad Roumaya with Change Chamber Development are building a 49-unit condominium project in The Cedars near downtown Dallas.

Chamber Development, led by Zad Roumaya and Will Pinkerton. And though The Cedars has seen redevelopment initiatives — most notably the 1.4 million-square-foot, South Side on Lamar mixed-use complex — Buzz is the first significant new residential construction to occur in the neighborhood in years.

Already, though, several projects are lined up behind Buzz.

Matthews Southwest, which developed the landmark South Side on Lamar and the adjacent Gilley's country music club, is working on an upscale condo project in The Cedars, as well as a boutique hotel. Multifamily developer JPI is planning to build apartments in the area. Even Dallas Mavericks owner Mark Cuban is getting in on the act, snapping up 3 acres near Gilley's in September, reportedly for an entertainment complex.

Roumaya and Pinkerton are getting \$500,000 in Tax Increment Finance support from the city of

BUZZ, P19

BUZZ: Condo project goes against the grain in Dallas' Cedars area

FROM PAGE 1

Dallas for Buzz. The Cedars TIF district is bounded by Interstate 30, South Lamar, Corinth and South Harwood streets.

Roumaya, a renowned sculpture artist, first became enamored with The Cedars about seven years ago, when he redeveloped a 7,200-square-foot building at 1201 S. Akard into a studio. He later restored a loft behind The Cedars Dallas Area Rapid Transit light-rail station. When a 3/4-acre parcel across from his studio at South Akard and East Griffin became available in 2003, Roumaya snapped it up, with the goal of putting dense residential on the site.

Pinkerton, a CPA with an interest and master's degree in urban development, joined Roumaya as partner in 2004, and Buzz was born.

"Working with Zad offered the opportunity to not only introduce housing with a modern, contemporary look at an affordable price, but to incorporate energy-saving features as well," Pinkerton said. "I think it's important that we figure out how not to be so dependent on the energy sources we use right now."

'Peds dispenser'

The partners struck a deal with Green Mountain Energy to provide wind-powered electricity for Buzz. Roumaya hit on the idea of giving out electric-pow-

ered eGo Mopeds, which residents can charge at what the partners are calling a "peds dispenser" in the garage. They also created a "culture club" package that gives residents DART passes and free memberships to KERA, the Nasher Sculpture Center, Old City Park and the Dallas Museum of Art.

"We wanted to provide a connectedness to downtown and functional amenities," Roumaya said. "You can't drive a swimming pool to the office."

All but one of the Buzz condos are single story, ranging in size from about 900 to 1,250 square feet and priced at about \$132,000 to \$246,000. A three-story center unit also is available. Marketing kicked off in October. More than half the units have already been sold, with most buyers planning to occupy the space, as opposed to investors who are hoping to sell at a profit.

Roumaya said contract requirements are designed to dissuade investor buys. "We want to bring mortgage-holding stakeholders into The Cedars," he said.

Dallas-based KWA Construction L.P. is the general contractor for Buzz; T. Howard & Associates is the architect. Construction is expected to begin in January and wrap up before the end of 2006.

According to Cassie Gibson, managing director of market research at Residential Strategies Inc., lower land costs are helping Roumaya and Pinkerton hit the



ECO-FRIENDLY: Buzz, a 49-unit project in The Cedars, is designed to be energy-efficient with wind-powered electricity, rainwater irrigation systems and extended overhangs to generate shade.

right price point.

"The pricing would need to be lower and is lower than in Uptown because of the surrounding land uses, but they're a rock's throw from downtown and are offering a lot of cool perks," Gibson said. "They're offering value and hitting

a target a lot of other condo projects aren't — young professionals who are looking for something under \$200,000. The Cedars is an unproven area but, based on presales at Buzz, it's obviously something a lot of people are interested in."

Initially developed in the late 1870s as the first residential subdivision in Dallas, The Cedars lost its prominence within a few short decades, as factories moved in and affluent homeowners fled to the north.

Developer Jack Matthews, president of Matthews Southwest, was the first to bring a residential focus back to The Cedars in 2000 with his South Side on Lamar, which transformed a historic Sears, Roebuck & Co. building into a mixed-use complex that includes 455 apartment units.

"We just thought it was an undervalued area — and it still is," Matthews said. "It's so close to downtown, but people weren't giving it a chance because it's in south Dallas. There were perceived negatives but no real negatives."

Matthews said developer interest in The Cedars has picked up dramatically in the last six months.

"It offers a great location, so close to downtown, with a DART station and great access to I-30 and I-45 and, on top of that, there's the Trinity River project, which at the end of the day may be the greatest thing to happen to Dallas in 100 years," he said. "When you add all of those things up, it's surprising that it has taken this long."

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