

Builders aim high outside the Perimeter

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A million-dollar penthouse view is not the first amenity that springs to mind when home shopping in Cobb County, but builders are gambling that there's an untapped demand for high-rise living in the suburbs.

Six condominium developments, from four to 27 stories, are planned or are going up along the northwest arc of I-285. Five are in Cobb, one in DeKalb County. Some will carry price tags first-time buyers could afford; others will target the folks that put the "high" in society.

Trammell Crow Co. will top off its nine-story, 172-unit condo on Mount Wilkinson, which looms above the buttoned-down, high-dollar village of Vinings, with \$2 million penthouses.

"It's a spectacular view, which is why we are so excited about it," said Michael McGwier, the executive director of Trammell Crow's residential division.

Much of metro Atlanta, including the city's skyline, stretches out below and lights up and twinkles at night as if the sky had settled on Georgia's piney woods.

Rising land prices, quick access to major highways, easy access to downtown Atlanta and a growing market of restaurants and entertainment are driving this first explosion of vertical housing outside of downtown, Midtown and Buckhead.

Potential buyers are already in the area five days a week. The landscape around Cumberland Mall, one end of the northwest I-285 arc, has Atlanta's second largest concentration of office buildings — more than 20 million square feet. The largest concentration is at the eastern end of the arc in central Perimeter, with 26 million square feet of office space.

An estimated 70,000 workers fill the offices in Cumberland every weekday, commuting in from

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places as scattered as west Cobb, Paulding, Henry and Gwinnett counties. Add to those the estimated 80,000 workers commuting to jobs in the central Perimeter district near Ga. 400 and I-285 each day, for a total of 150,000 potential home buyers.

McGwier believes many are ready to trade in the lawn and two-car garage for high-rise living.

He's confident his condos, which will have an average price of \$500,000, will sell. Many of the workers hold high-paying and management positions. They are people who can afford the prices in his development, especially when compared to the homes people are already buying in the area, he said.

New single-family homes sell for \$500,000 and more. And land to build on is getting scarcer and more expensive by the month as declining World War II-generation homes are snapped up and redeveloped into mini-mansions.

Dale Henson of Dale Henson Associates, a location consultant for condominium builders, said, "The trend that people want to live near their jobs is coming into play there like it did in Buckhead."

"It takes a lot to make people get out of their cars, but the traffic is getting to them," he said.

His company's research and talks with focus groups show there is a pent-up market for condos in the I-285 corridor, he said.

The new developments would draw buyers from the local job market who simply want to cut their commute, but they also would appeal to empty nesters looking for a home with low maintenance and a lock-it-and-go lifestyle. Others would trade in the suburban spread for live-work-

play communities.

Two of the developments are new urban villages: the unnamed 27-story condo tower that Satish Lathi and Jay Clark are developing for Southern Capital Partners near Perimeter Mall; and West Vinings, a mixed-use community of homes and condos up to six stories high being developed by Pacific Group at I-285 and Atlanta Road. They will have coffee shops, boutiques, restaurants and small offices contained within a few blocks.

The Sembler Co. is building the retail and commercial buildings around the 27-story tower.

Lathi said: "You will be able to walk next door to get groceries, go to movie theaters, clubs, all kinds of restaurants. You can walk to the MARTA station and go downtown or to the airport. I'm not saying people will do it, but if they wanted to, there will truly be an opportunity to leave your car behind."

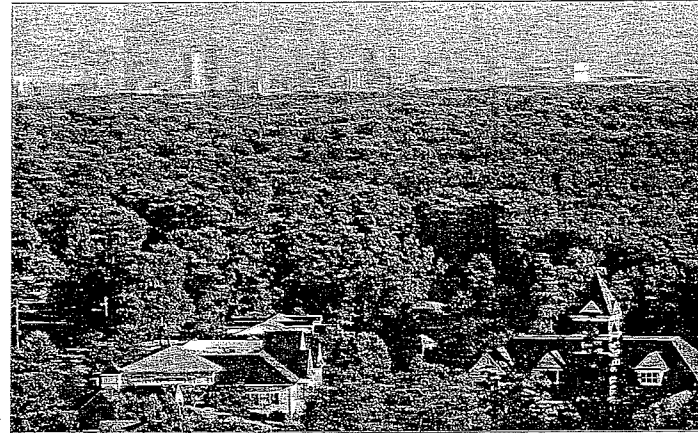
The demand for multifamily housing in the area has been proven in part by the golden success of high-end townhome developments such as John Wieland Homes and Neighborhoods' Olde Ivy development and Ashton Woods Homes' Chattahoochee Bluffs.

Michael Rosenberg with Ashton Woods Homes oversaw the sales of 229 townhomes in 14 months at Chattahoochee Bluffs just east of Vinings. The demand was so great that prices, which started at about \$190,000, increased as much as \$50,000 during that span, he said.

Ashton Woods is joining the condomania in Cobb County and will break ground on a four-story, 128-unit building off Powers Ferry Road in early winter. Not all of the prices will be for the penthouse set. Rosenberg estimates prices will start between \$150,000 and \$200,000.

"[The I-285 corridor] is a great location. The problem is land costs have gotten to a point that there's no way to build a \$200,000 single-family house in the area," Rosenberg said.

"When land was more affordable, people didn't think about buying a condo. Now, by building up instead of out, companies can bring



NICK ARROYO / Staff

THE VIEW FROM VININGS: Trammell Crow is to begin work this fall on a nine-story, 172-unit condominium on Mount Wilkinson. It will offer this view of Vinings and downtown Atlanta.

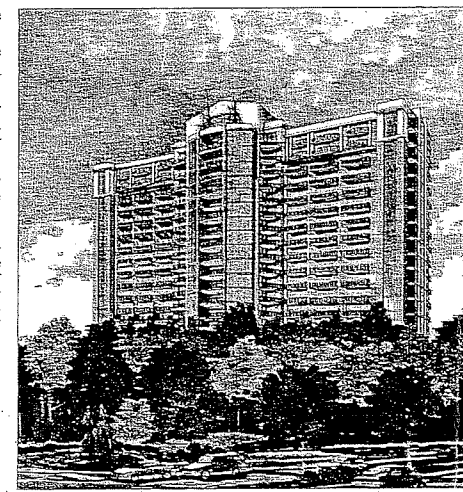
affordable housing back to the area, he said.

John Moore, a real estate attorney who is working on several of the condo projects, said suburban builders typically are conservative and "will only try things they know will work."

But he said the few developers who stepped outside the box and tried townhomes found "a huge pent-up demand that nobody knew was there. The success of those products has shown there is a much bigger demand than first thought for housing in the area. And that leads to the high-rise and midrise concepts."

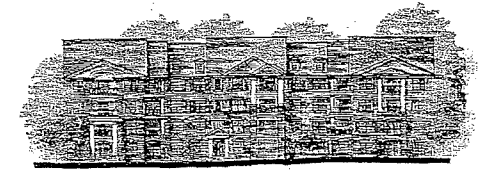
In all, the six developments could offer as many as 2,300 condominiums. Is there that much demand in the area?

Lathi, who hopes to see the Perimeter tower start coming out of the ground this winter, said, "We are making a \$48 million dollar bet that it's there."



Cousins Properties

COBB TOWERS: Wood Partners' 19-story, 282-unit condominium tower is meant to appeal to empty nesters and professionals. Prices should range from \$160,000 to \$400,000.



MIDRISE CONDOS: Ashton Woods' 128-unit development.

GOING VERTICAL

The first rush of mid- to high-rise condominiums outside the city of Atlanta is going up along the northwest arc of I-285. Six are planned between Atlanta and Ashford-Dunwoody roads.

1 The Pacific Group's mixed-use community of 1,000 homes will include 300 condominiums in three four- to six-story buildings. Prices will start between \$150,000 and \$200,000. The company hopes to break ground early next year.

2 Trammell Crow Co.'s nine-story, 172-unit condominium overlooking Vinings and downtown Atlanta will break ground this fall. Average price will be more than \$500,000, with penthouses going for an expected \$2 million.

3 B.F. Sauls' development at Circle 75 took on a new life as living habits in metro Atlanta changed. It was zoned for office buildings in 1984, but Saul asked to change the zoning to build condos and townhomes this year. It will add more than 1,500 units in three or more buildings rising as high as 18 stories. No start date has been set.

4 Ashton Woods Homes hopes to break ground late this year on a four-story, 128-unit building. Prices will probably start between \$150,000 and \$200,000.

5 Wood Partners' 19-story, 282-unit condominium tower hopes to appeal to first-time buyers, empty nesters and working professionals. Prices will start at about \$160,000 for a one-bedroom unit and go to about \$400,000. The company plans to break ground next spring.

6 Southeast Capital Partners will begin building a 27-story, 227-unit tower north of Perimeter Mall at the end of this year. Most units will range from \$200,000 to \$400,000, with penthouses going for \$1 million.

DALE E. DODSON / Staff

