

Not a lot of options for buyers seeking new, single-family homes under \$300,000

Looking for a new, single-family home under \$300,000 in Broward or Palm Beach counties? While not impossible to find, the choices are limited.

If buying from a builder in that budget-friendly price range, your options are likely to be confined to modest developments in the working-class towns of Tamarac, Riviera Beach, Haverhill and Greenacres.

A robust housing market, labor shortages and the high cost of land and materials are forcing most South Florida builders to bypass first-time buyers and young families and cater to clients with deeper pockets.

“For under \$300,000? It’s slim pickings and hen’s teeth,” said Truly Burton, executive vice president of the Builders Association of South Florida.

Five years after prices hit bottom following the worst downturn since the Great Depression, affordable housing is becoming a major concern again. Many young professionals say they can’t afford to buy because salaries aren’t keeping pace with home prices.

Some buyers who don’t want to settle for a resale or a townhome are driving north to St. Lucie County or west to Collier County, where new-home prices in many communities have yet to eclipse \$300,000.

“It’s gotten so expensive [in Palm Beach and Broward], and they can get a lot more house in St. Lucie County,” said Jon Rapaport, a division president for Lennar, which has two single-family developments for under \$300,000 on the Treasure Coast.

Miami-based 13th Floor Homes is one of the only builders marketing starter homes in Broward and Palm Beach counties.

Hidden Trails and Manor Parc — on two former golf courses at the Commercial Boulevard exit for Florida's Turnpike — offer three-bedroom, single-family homes for less than \$300,000. Buyers may exceed that amount if they choose granite kitchen countertops or other upgrade packages.

Juan Gonzalez, 32, paid extra for a patio terrace and other upgrades but still managed to stay under \$300,000 for a three-bedroom home at Manor Parc.

Gonzalez, on active duty for the U.S. Coast Guard in Miami Beach, said he and his wife qualified for a larger mortgage on a bigger home but didn't want to bust their budget. They moved in about four months ago.

"We just like newer houses," he said. "You still have all your warranties. To us, it feels like a safer investment."

Privately held 13th Floor sold out of a third affordable development in Tamarac, the 253-home Central Parc, in less than two years.

But the builder is moving north into Palm Beach County with Arbor Parc, a development of 500 single-family homes and townhomes along Military Trail between Blue Heron and Northlake boulevards.

For now, the builder is just taking reservations, but buyers can get three-bedroom, single-family homes there starting at \$278,900. Construction is expected to start in the next few months, and the first residents would move in next year.

Mike Nunziata, division president for 13th Floor, declined to provide specifics on the company's homebuilding strategy.

But he did say the builder maintains good relationships with land owners, vendors and other industry officials. What's more, he said, 13th Floor tries to sell out of the communities as fast as possible, even if that means sacrificing on price.

"We want to see things move a little quicker rather than maximize the next dollar," he said.

In the tiny town of Haverhill in central Palm Beach County, Express Homes by DR Horton has a few three-bedroom homes remaining at Haverhill Pointe for less than \$300,000, spokeswoman Amanda Stephens said in an email.

In October, Express is launching Whitney Park in nearby Greenacres, where prices start at \$284,990, according to Stephens, who declined to be interviewed for this story.

There are no other active single-family developments in Palm Beach or Broward counties with prices less than \$300,000, according to data from the Metrostudy research firm, which tracks homebuilding across South Florida.

Stephens said DR Horton, the nation's largest homebuilder, will be launching two more affordable single-family communities in the coming months. Details have not yet been released.

Anthony Trella, an industry consultant in Deerfield Beach, said building starter homes for under \$300,000 is an impressive feat.

But he added that buyers will have to lower their expectations and accept smaller floor plans, higher density and modest amenities because there are virtually no other ways for builders to make lower-cost homes financially feasible.

“Whether or not buyers will be receptive to this product, time will tell,” Trella said. “But the builders can only do so much. No one has discovered the silver bullet overnight.”