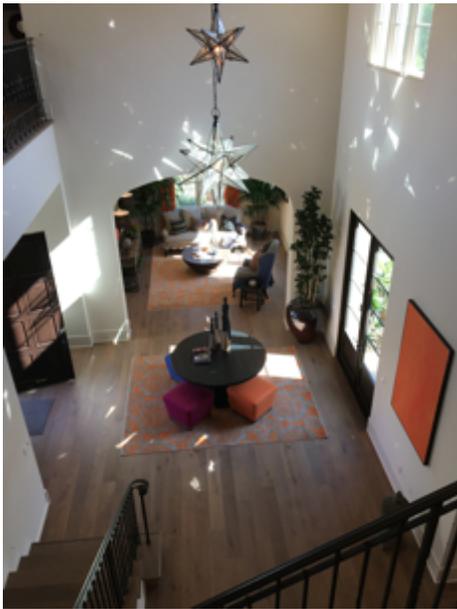


# Builder

## Long Live Luxury

*New Home Company brings its Coral Crest and Coral Canyon neighborhoods online, at Irvine Company's sublime Newport Coast Crystal Cove master plan.*

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By John McManus



The verdict may not quite be in yet as to whether and when the awaited true "activation" of the lowest-priced tiers of the new-home market can kick in to secure a fully-formed housing recovery.

Hundreds of new communities with home products aimed for that younger, less-well-heeled buyer prospect--possibly in many cases, refugees of spiraling rents, or freshly inspired by rising wages--have grand-opened all across the "Smile States," sporting price tags well-below the 2015 median of \$298,000 for new home deliveries.

Surely, the legs of this recovery depend on a more well-rounded and typical participation of population, economic, and demographic segments, especially from first-time, entry-level, and lower-price oriented buyers. Recoveries in housing mean that a continuum of supply and demand pulls new buyers in to increase value at each of its many price tiers.

Meanwhile, anxiety's building around questions about the luxury segment, the current recovery's "early adopter" cohort. High-end buyers have fueled most of what's positive for companies large and small for the past 24 to 36 months, but the measure of how deep and wide that upscale buyer demand pool may be is getting a test these days, as ultra luxury properties spend more and more days listed for sale, and the air up there seems to get thinner as the latest series of financial world convulsions, economic stresses, and energy industry dynamics work through the macroeconomy.

So, worries that momentum among move-up, second-time-move-up, and luxury buyers may vanish are growing. If anything, however, what may be taking shape is a clearer [price] range of what sustainably can work in the marketplace. The ultra and super-ultra luxury market, which boldly tested "how high is up?" for the past couple of years, may indeed be tapping out. What may continue to perform at acceptable pace and profitability levels, however, may be that semi-custom and custom home primary residence price band, say between \$3 million and \$8 million, for finite opportunities to live in rarefied places.

On Monday, we visited with the New Home Company team preparing its market splash for one such set of opportunities, in the Newport Coast Irvine Company community of Crystal Cove.

New Home tomorrow evening will host a VIP party to launch sales on 21 of 27 homes in Coral Crest, a Crystal Cove neighborhood of homes perched on the ocean view side of Crystal Cove's upper reaches, and 28 Mediterranean and Italy-inspired Coral Canyon homes, aptly named for their canyon view exposures.



Testament to Irvine Company's tagline for the Crystal Cove community, "where luxury lives," The New Home Company pre-sold six of the seven phase one units of its Robert Hidey Architects-designed Coral Crest enclave. These homes, whose floor plans range from 4,962 to 7,318 square feet of living space--and that's not even counting the limitless "livability" of terraces and infinity pools that stretch deep into each lot's ocean horizon line--start pricing in the "\$5 millions."

New Home Company chief operating officer and luxury living maven Tom Redwitz and chief marketing officer Joan Marcus-Colvin led a S.W.A.T. team of interior design, foliage, marketing, and logistics folks for a 72-hour count-down walk-through of the two neighborhoods on Monday, offering a glimpse of the opportunity that comes of offering one-of-a-kind value for an appetite that seems still to respond well, providing many, many executional details are done well.

The New Home team brought in some heavy artillery in its bid to tilt luxury buyers its way, Meridian Interiors' Kathy Schwindimann, who took inspiration from contemporary British interior designs to splash fresh, bold colors into the natural earthen elegance of nature's palette for one of the company's Coral Crest plans. The team fairly story-boards the visual experience of its invited guests, checking to see that every sight-line yields both promise and over-delivery on the promise, both indoors and out.



Marcus-Colvin says that six of the seven phase one homes in Coral Crest pre-sold, which suggests that the positioning and value of the remaining 21 should meet with solid demand.

"These homes are unique, and although we're seeing some challenges at the upper end in some of our communities, here seems to be an exception," Marcus-Colvin says.

The Coral Canyon neighborhood, just over the ridge from Coral Crest, presents a different challenge, says Marcus-Colvin. Namely, the canyon view, rather than an ocean horizon line (with a few exceptions). To meet that challenge, Redwitz says, the developers and designers took inspiration from Spain's isle of Ibiza. Cypress, olives, palms grace each deep lot property line with a sense of timelessness, while hedges of jade and

hardscaped agave etch artful definition into each home site, thanks to ingenious execution by C2 Collaborative landscape architects led by Paul Haden, President, and Yvonne Lindgren, senior project Manager.

To bring both story and architectural lines into felicitous balance, New Home recruited Bob White Architects to stretch Irvine Company design guidelines a bit, resulting in a profoundly fresh, flat-roof pitch that sets beautifully against the surrounding ridges.

"This is about another experience of high value," says Marcus-Colvin. "It's a different experience than the ocean vista, but when you look at these homes set into the canyon, surrounded so beautifully by the trees, and the fountains, and the sculptures, and the gardens, you feel as if you're in a place that's been here for a long time."

That's how and where luxury lives. And it's why the luxury market lives on.

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