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West Valley luxury: DMB developing upscale communities with custom homes, country club

The Business Journal of Phoenix - June 8, 2007 by [Mike Padgett](#) Contributing Writer

STORY IMAGES



Executives at DMB Associates have a strong hand in their gamble on West Valley growth.

The Scottsdale-based developer is upping the ante in its upscale Verrado community on 8,800 acres north of Interstate 10 at 211th Avenue.

DMB is solidifying a proposal for a country club and encouraging luxury home builders to ramp up their work in Verrado. The company's plan for a country club will be unveiled "in probably the next six to nine months," said John Bradley, DMB's vice president and general manager of Verrado.

The developer also is updating plans for a resort within the development, which lies 25 miles west of downtown Phoenix. In late 2006, resort developer Intrawest Corp. of Vancouver, B.C., Canada, let its option to buy 56 acres in Verrado expire. However, a resort in Verrado remains in the cards, he said.

Meanwhile, DMB's promotion of the custom home division of Verrado tops its priority list. The demand for luxury homes in the West Valley is gaining momentum because of the region's growth and because of the dwindling supply of land in the Valley's traditional custom market areas: North Scottsdale and Paradise Valley, Bradley said.

Builders active in Verrado include Salcito Custom Homes, Argue Custom Homes, Romack Builders and Alexander Custom Homes. Salcito and Argue also are building in Silverleaf, a luxury home development within DMB's DC Ranch in North Scottsdale. Romack also is in the West Valley's Estrella Mountain Ranch community, and Alexander is active in the northeast Valley.

"As the West Valley continues to grow and evolve, the demand for custom will grow significantly," Bradley said.

About 260 custom home lots have been sold, and 20 homes have been completed or are under construction. Officials also expect the builders to begin work soon on several speculative homes.

Realtors and the custom builders said the buyers include West Valley farmers, doctors and executives who work in the area, not to mention at least one Phoenix Coyotes hockey player.

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Realtor Lynn Ashton Jr. at Verrado Realty said the shift to the west side is attracting new wealth there.

"What amazes me is how much money there is in the West Valley," Ashton said.

The custom builders agreed.

"We see a lot of professionals who work somewhere west of (State Route) 51 and they're looking for a new community such as Verrado," said Tom Argue of Argue Custom Homes.

Argue said a \$1.8 million spec home he started in Verrado in 2004 sold before all of the drywall was in place.

He and partner Gary Fries are building five homes in Verrado, with 18 more in design. The five under construction range from 3,800 to 7,000 square feet are priced from \$1.7 million to \$3.5 million.

Argue said most of their buyers are from Arizona. One is from California, and another is from Seattle.

Argue and Fries are completing a luxury home for K.C. and Lisa Gingg. Lisa Gingg is a third-generation Arizonan who grew up in the West Valley. Her grandfather, John H. Evans, raised cattle and cotton; her father, John H. Evans Jr., grew cotton; and she married a dairy farmer.

She said Verrado appeals to her family because it offers custom homes and because it is close to their heritage.

"This area is our home, and it's where we still work," she said.

Because of increasing traffic, the Arizona Department of Transportation plans to expand Interstate 10 soon.

Brothers Chip and Steve Alexander of Alexander Custom Homes say that before DMB invited them into Verrado, they focused on luxury homes in Rio Verde, Tonto Verde, Fountain Hills and North Scottsdale.

The Alexanders recently sold a \$2.5 million home in Verrado, and they are starting work on three others priced near \$3 million.

"We really feel this is going to be the DC Ranch of the west side," Chip Alexander said.

Anthony Salcito Jr. said his company has options on 11 fairway lots for homes ranging from 3,500 to 6,000 square feet. Prices for the land and homes are between \$1.7 million and \$2.2 million.

Salcito Custom Homes of Scottsdale was selected to build Sunset magazine's 2004 Southwest Idea House at Verrado -- right about the time the area's first homes started selling. Other than the Idea House, Salcito said, his company didn't have plans to expand into Verrado until 2006, when DMB invited Salcito to join its list of preferred builders.

Bradley and Ashton noted that planning for Verrado began before the construction of Westgate City Center, **Jobing.com** Arena and University of Phoenix Stadium, which have become huge factors in the West Valley's growth.

In addition, the Bidwill family, owners of the Arizona Cardinals, announced plans in late May for a major office development south of the football stadium. The proposal includes an office building nearly 40 stories tall on Camelback Road at Loop 101.

DMB's master plan calls for about 14,000 homes upon completion of Verrado in 2017.

Verrado's original design included four golf courses. That plan has been changed to include only two courses because "the golf market has changed dramatically," Bradley said.

Work in Verrado started in 2001, with home sales starting in 2004. So far, more than 1,200 production homes have been completed. Production housing prices in the development's second

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phase range from the \$200,000s to the \$700,000s.

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DMB Associates: 480-367-7000

Verrado Realty: 623-215-6060

Salcito Custom Homes: 480-585-5065

Argue Custom Homes: 480-941-0531

Romack Builders: 623-328-9092

Alexander Custom Homes: 480-471-2700

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