

HAVENS | Palm Beach Gardens, Fla.;

The Latest 'It' Destination in Southeast Florida

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WHEN you talk to people who have recently bought homes in Palm Beach Gardens, Fla., it's inevitable that they will liken their town to some better-known fun-in-the-sun South Florida city. For Jeff Wallner, 38, a Philadelphia furniture-company representative who owns a vacation home in the Gardens, it was Boca Raton. "I think you're seeing Palm Beach Gardens become Boca-ized," he said.

Palm Beach Gardens and Boca do have much in common. Both are defined by gated, country-club communities replete with golf courses and tennis courts. Both are becoming increasingly cosmopolitan, with restaurants and stores that bring a measure of New York-style sophistication to a part of the country still very much defined by suburban sprawl.

The difference is that Palm Beach Gardens, on the northern end of Palm Beach County, is the newer "it" destination: a next-generation answer to those who want to avoid the congestion that has overtaken Boca, in the county's southern end, and the crowds farther south around Fort Lauderdale and Miami.

The Gardens has more of a feeling of the fresh and new, with an array of communities built since the John D. and Catherine T. MacArthur Foundation sold off large local holdings in the 90's. (Mr. McArthur, an insurance entrepreneur, helped establish the city in 1959.) That means homes, mostly done in the locally popular Mediterranean style, with the latest amenities -- granite countertops, wood floors -- and with clay-tile roofs that have hardly begun to fade. Older areas of the Gardens, dating back not much further than three decades, also haven't lost their appeal.

Mr. Wallner, who had already bought and sold three vacation homes in the Gardens, recently purchased a three-bedroom, two-bathroom house for \$350,000 in Eastpointe Country Club, a golf community built in the 70's. He flies in for several long weekends a year, joined by his wife and two children.

The Scene

Palm Beach Gardens is about a half-hour drive north of downtown West Palm Beach and the island of Palm Beach, one of the country's richest enclaves. Although it is still a bedroom community for upscale commuters to jobs in West Palm Beach, it also attracts affluent second-home buyers and retirees. Debbie Arcaro, an agent with Lang Realty in the Gardens, said that new buyers tend to come from the New York area; they don't call South Florida the "sixth borough" for nothing. They are also more than likely to be golfers. The city is home to the

Professional Golfers Association.

An example is Phil Lassiter, a retired financial executive who recently sold his Manhattan apartment and has moved into a custom-built, six-bedroom, 9,000-square-foot house in the newly developed Old Palm Golf Club community, while also keeping a home in New Jersey. "I'm a golf nut," Mr. Lassiter said. He likes the size of the community, small enough at a projected 294 homes so that tee times aren't necessary and some homes are very close to the course, designed by Raymond Floyd. "I can walk to the first tee in three minutes," he said.

Even avid golfers need to get away from the green, or their spouses do. And a slew of recent commercial developments provide increasingly urbane alternatives. Stroll through the aisles of Whole Foods in Downtown at the Gardens, a \$500 million city-style shopping center opened this fall, on a weekend and you'll find hordes of eager shoppers snapping up imported cheeses and organic produce. Stop by Spoto's Oyster Bar, a popular hangout in the PGA Commons center, on a Saturday night and you'll find a crowd that wouldn't look out of place on an episode of "Sex in the City."

Downtown at the Gardens also introduced retailers like Sur La Table, with its upscale cooking tools, and plans to bring in restaurants including New York's Rosa Mexicano and Strip House. Connected to the complex is Landmark at the Gardens, the city's first true residential high-rise. Nearby is the Gardens mall, which is getting its own upscale addition with a Nordstrom department store scheduled to open in 2006.

The city also has several parks; public golf, tennis and swimming facilities; and a busy city-run recreation program that incorporates everything from art classes to a Sunday morning green market.

Pros

Yes, there are golf, tennis and that fast-evolving dining and retail scene. There's also the great weather, at least outside of the often brutally hot, humid summers. Crime is low. But for many new buyers, the biggest attraction of the Gardens is the ease of getting to other places. It's 10 minutes to the beach, a half-hour (at most) to Palm Beach International Airport and less than three hours to the theme parks of Orlando.

The airport's closeness was a key selling point for Lucy Quade, a 54-year-old Maryland real-estate agent. She and her golf-loving husband bought a three-bedroom home at Mirasol, a new development expected to have 1,170 homes when complete. Now they come for occasional visits; eventually they may retire to the Gardens. "It takes me 20 minutes," she said of the drive to the airport. Back home, when she needs to hop onto a flight in Washington, "I have to plan on two hours in traffic," she said.

Cons

The city lacks any real cultural center, except for a community college theater.

Although most locals give the city government credit for effectively managing growth, sprawl seems inevitable, especially with a major biotech center, the Scripps Research Institute, planning to establish itself in the area. "You can't stop growth," said Vice Mayor Eric Jablin, himself a Northeast transplant.

Oh, and there is that meteorological phenomenon known as hurricane season. Much of South Florida took a hit from Wilma this year; some houses are still showing roof damage.

The Real Estate Market

Like the rest of South Florida, Palm Beach Gardens has experienced a sharp increase in home prices in the past few years, even by the already heated standards of the national market. In the past year alone, Palm Beach County prices rose 24 percent.

Starter and smaller homes -- typically, attached homes in gated communities or stand-alone houses in older and decidedly less luxurious neighborhoods -- fetch at least \$250,000 to \$300,000, a figure that astounds local real-estate agents. "I used to sell those homes in the mid-1980's for \$50,000," said Robert Graeve, a veteran local agent with Illustrated Properties.

The country-club lifestyle, especially in a newer development, costs much more: homes typically begin at about \$750,000. They start at \$1.6 million in the new Old Palm Golf Club development, where Mr. Lassiter's house is, and run from \$800,000 to \$4 million in Mirasol, Ms. Quade's community.

For a custom-built house in a relatively small community, you're getting into the \$3 million to \$5 million range. Although the rise in prices finally appears to be cooling, a shortage of remaining land to develop in Palm Beach Gardens is likely to keep houses steadily appreciating.

Then again, buyers could simply look north to the next "it" South Florida destination. Already, Stuart and Port St. Lucie, cities within an hour's drive, are mentioned as primed for a boom. Even Mr. Wallner, a big Gardens booster, sees himself leaving in due time. "I'm probably going to go north," he said.