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Locking in construction pricing helps luxury homebuilder succeed

Even during the economic recession that stalled real estate development throughout South Florida, general contractor and developer [Bart Reines](#) was building luxury homes.

His portfolio of recent projects is focused on some of the wealthiest enclaves with the highest pricing in Miami Beach, including Indian Creek Village, La Gorce Island, Sunset Island, Golden Beach and Key Biscayne.

A nine-bedroom, two-story residence on Sunset Island II that [Bart Reines](#) Construction designed and built from the ground up is currently under contract for \$15.5 million to a family that paid cash – the dominant way Reines' clients buy or pay for the construction of luxury homes.



Bart Reines built this mansion on Sunset Island II, now under contract for \$15.5 million.

Walking into the home is like entering the pages of Elle Decor magazine, which worked with Reines to put together the furniture for the modern mansion at 1435 W. 27th St. He currently has seven ongoing projects with a market value of more than \$100 million.

The Business Journal spoke to Reines about his work:

SFBJ: Who are your clients?

Reines: Both local and international buyers who want to enjoy the best of what Miami has to offer. They are wealthy and want to spend at least part of their time living here.

SFBJ: Who is financing mortgages, or are they all-cash deals?

Reines: Typically, they are all-cash deals.

SFBJ: How has the market changed in the last 24 months?

Reines: The market has returned to where it should be. Miami Beach offers one of the best lifestyles on the planet, and property values are still low compared to other top cities in Latin America, New York and elsewhere. The homes I build also typically have a much lower price point per square foot than many luxury condos in South Florida.

SFBJ: Are these primary or second homes?

Reines: It's a mixture of both, which is where the luxury market is today.

SFBJ: What is impacting your business economics? Labor? Materials? How will that change over the next 24 months?

Reines: With the upturn in demand, labor and material prices will surely rise. However, I have forged long-term, mutually beneficial relationships with my suppliers and subcontractors, and I expect little change. I lock in my pricing with subcontractors in advance, which guarantees that any supply or labor-oriented changes don't affect me. So, I haven't seen a lot of change in labor and material costs over the last 24 months, and don't expect a substantial increase.

SFBJ: How do you find your clients?

Reines: My clients come to me through recommendations from past clients, architects and Realtors. So, I work hard to make sure that my projects stand out. During Art Basel, we had a party at [the Sunset Island II} house for over 400 people.