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Cash propels new residential community

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Development of the first-ever master-planned community in Waller County has gotten under way despite a continued housing slump.

New Waverly Sound Investments LLC has begun infrastructure work on a \$120 million, 300-home master-planned community called Kickapoo Preserve in Eastern Waller County. The community will consist of oversized lots ranging from .75 to 1.5 acres.

Rajan Shamdasani, developer of Kickapoo Preserve and president of Houston-based New Waverly Sound Investments, says he paid cash for the 400 acres of land about two and a half years ago and has spent almost two years designing the community.

“Since we paid all cash, we were in no rush to do things that were less than perfect,” he says. “We are very confident in our plans and do not feel the economy or housing slump will be a drag on our plans.” Shamdasani says the company also will not have to borrow money to complete the infrastructure improvements, which are being internally funded.

“If one is conservative with their business plan, it allows for market downturns,” he says. Numbers submitted to the Waller County Economic Development Partnership show an overall projected investment of \$120 million for Kickapoo Preserve, which includes an investment of \$1.8 million in landscape design and construction and an entry monument in the range of \$250,000.

Each home is expected to generate about \$3,648 in annual taxes, which will eventually translate into more than \$1 million annually for the Waller Independent School District. The county will gain \$452,700 in additional tax revenue, and the Emergency Services District will gain about \$81,600 in taxes each year.

Phase I of Kickapoo Preserve will include 48 lots, which Shamdasani plans to deliver to builders in June. He expects the entire community to be built out in about six years.

Although Kickapoo Preserve will be his first project in the Houston area, Shamdasani has been in the development business for more than 20 years.

In the last few years he has completed a subdivision of more than 200 homes and is now in the middle of construction of another 104-home subdivision.

He is also marketing a “nature preserve” luxury home subdivision with homes priced between \$500,000 and \$1 million.

He says the majority of his subdivisions are debt-free, with the most recent project carrying a small amount of debt.

Shamdasani is active in commercial real estate as well. He recently sold a 200,000-square-foot shopping center in North Carolina and has several other projects in different stages of development, including a 240-unit luxury apartment complex and a 123,000-square-foot industrial building that is currently being repositioned.

BACK TO NATURE

Located at 24689 North Kickapoo Road in Hockley, Kickapoo Reserve will offer homes in a natural country setting and will include an exclusive 52-home gated section called Kickapoo Estates.

Homes in Phase I of Kickapoo Reserve will be priced from \$300,000 to \$500,000 and will span from 2,800 square feet to 4,000 square feet. Phase II and future phases will have homes in the \$400,000 to \$700,000 price range.

Shamdasani has selected two builders to construct homes in the community, although he declined to disclose their identities. He says the community has already received 16 lot reservations.

Kickapoo Preserve's design team is managed by Kerry Gilbert & Associates Inc., which has also had a hand in designing successful local communities such as Blackhorse Ranch, Cinco Ranch and WoodCreek Reserve. Kickapoo Preserve will feature several miles of both hard- and soft-surface nature trails, bird-viewing stations, 60 acres of lakes which double as retention ponds and three two-acre parks.

Shamdasani says he is targeting families who are looking to move away from the hustle and bustle of city life as residents in the community.

He notes that Hewlett-Packard Co. is planning to build a substantial office complex within a few minutes of Kickapoo Preserve, and the Waller Independent School District is in the process of completing construction on several new schools in the immediate area.

The community's homeowners association will be managed by Planned Community Management Inc., a subsidiary of Severn Trent Services Inc., which has a field office in Waller County. Severn Trent Services will also manage the planning and implementation of a privately owned water service to the community.

Vince Yokom, executive director of the Waller County Economic Development Partnership, says this will be one of the first midsized developments created without a municipal utility district in Waller County.

New Waverly Sound Investments is unveiling this new community even as the Houston area recorded the 18th consecutive monthly drop in home sales. There were 3,424 homes sold in Houston in February, down 24.6 percent from February 2008, according to statistics from the Houston Association of Realtors.

February also marked the fifth consecutive month of price declines.

The average price of a single-family home in the Houston area dropped to \$182,316 last month, a 10.5 percent decline from the year-ago period.

In 2008, 10 homes in the \$300,000 to \$700,000 price range were sold in Hockley, an 11 percent increase from nine homes sold in 2007, according to HAR. No homes in that price range have been sold so far in 2009. A total of 138 homes were sold in Hockley last year, a 27.7 percent decline from 191 in 2007.

Kickapoo Reserve

Developer: Rajan Shamdasani

Size: 400 acres

Number of Homes: 300

Price Range: \$300,000 to \$700,000

Location: Eastern Waller County

Expected Build-Out: 6 years