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INSIDE: REAL ESTATE '09!

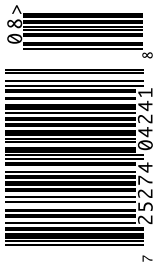
*River Oaks Confidential
What Does \$10 Million Buy?
Southampton's Sure Thing
High-Rise Surprise!
Exclusive: Midtown 2.0!
& the Four Biggest
Gambles in Houston*

+PLUS

*H-Town's Chick-Lit Divas
Costa Rica for Cool Kids
Eric Bana Breaks It Down
& all the Best Bashes!*

FALL FASHION PREVIEW: OH SO CHANEL!

AUGUST 2009 \$5.95



New Midtown: Urbane Planning

A mile southeast of Midtown's loft-topped core, the air inside an unmarked wine bar next to a fortune-cookie factory grows thick with after-work chat. It's 7PM on a Thursday. Against a mellow backdrop of office-casual professionals and richly worn furniture salvaged from the defunct Warwick Hotel, neighbors drink wine chilled to the hangout's namesake temperature, 13 Celsius.

"What's interesting about this side of Midtown, it's still more residential," says Ian Rosenberg, the quaint European bar's co-owner. "It's still more transitional."

As he talks, patrons outside the window beside him defy the heat around shaded tables. A man with an ice cream cart pedals by, disappearing into blocks of new townhouses around freshly renovated Elizabeth Baldwin Park. This is the *new* Midtown. East of Main Street but within the district's traditional boundaries of I-45 and I-59, many have found a low-key answer to the high-energy lifestyle just down the street.

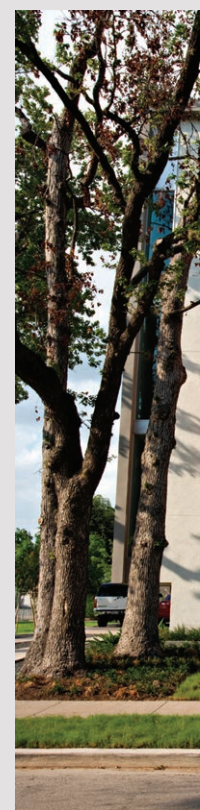
A dozen or so years ago, Rosenberg says, he and a real estate agent brought a gun with them to visit the nearby house he would buy and renovate. Today, walking among tidy new starter homes and towering contemporary residences listing for \$400K, that seems laughable. Over the years, the Midtown Management District, where Rosenberg sits on the board, pumped money into infrastructure while developers moved in and property values rose. Rediscovering the joys of urban living, more and more young professionals settled in to new townhouses, stylish apartments and a handful of restored century-old bungalows. As new homeowners turn into long-term residents, the area has cultivated its close-knit neighborhood feel.

"There's always something to do," says Sarai Melichar, a local. "I'm never bored, and I just love being five to 10 minutes from anything and everything."

When she's not cramming for her MBA courses or toiling at the nearby energy firm where she works, Melichar's favorite yoga studio, hipster-run YogaOne, is just around the corner. She frequents Midtown hot spots like Ferrago and Cyclone Anaya's Mexican Kitchen, and is close to gigs in Midtown and Downtown where her close friend, a jazz pianist, plays. "I don't ever want to move from this area," she says.

For Dynamo soccer team executive Rocky Harris, Midtown's perks include a jaunt to the cleaners, bumping into pals at the taco shop, and walking his dog in Baldwin Park—not to mention the \$80 million team stadium proposed for the nearby EaDo district. A homeowner in the 'hood for three years, Harris predicts the area will only develop further: Gas prices are bound to go up, and more people from the 'burbs will fill up the remaining empty land near Downtown's jobs and amenities.

And the contagious laughter flowing easily from 13 Celsius couldn't hurt either.



"Having the vision and the 'cajones' to go where no others have gone is just something we were willing to do. We saw the potential."

—T'afia co-owner Andrea Lazar on the once avant-garde choice to open the now established foodie fave in "new" Midtown in 2004

Clockwise from top: The city lighttrail trains cut through New Midtown, offering urban energy to the 'hood—and a convenient ride to Downtown; the familiar townhouse setup; perusing classic vinyl at Sig's Lagoon record shop.



++ WALK TO ++

After-dark action along Main Street centers around The Ensemble-HCC lightrail station. Music lovers peruse the vinyl at Sig's Lagoon record shop before ducking into a former 1920s-era general store that is now the grungy-cool Continental Club. Crowds spill out in the wee hours for cheap eats at the equally quirky Tacos A Go-Go next door. Ensemble Theatre, one of the country's largest historical African-American theaters, is also nearby.

++ EAT HERE ++

Bon Appetit magazine recently christened chef Bryan Caswell's upscale Reef at 2600 Travis St. the country's best seafood restaurant. Down the block, slick Julia's Bistro offers Spanish and South-American-inspired cuisine.

++ THE GRASS IS GREENER ++

The townhouse set makes Baldwin Park at Elgin and Crawford Streets its front yard, hobnobbing at the Midtown Art in the Park festival each spring, gathering around chess tables and hitting the jogging trail on mild evenings.

++ SENSATIONAL SATURDAY... ++

Peruse locally grown goodies at the Midtown Farmers Market every Saturday morning outside trendy T'afia at 3701 Travis St. Chef and James Beard nominee Monica Pope, an early proponent of the farm-to-table movement, also offers gratis cooking classes Saturday mornings.

++ ...AND STELLAR SUNDAY ++

Nearby, in Midtown proper, Ferrago and Cyclone Anaya's are still hotspots, especially for brunch.

++ IF YOU LIKE THAT, YOU'LL LOVE THIS ++

Binz. The neighborhood filled with understated brick fourplexes and aging two-story apartments to the south of I-59 and bordering Hermann Park has undergone its own renaissance in recent years. Cutting-edge modern townhouses rise next to well preserved homes, and the median prices of houses sold there recently hovers around \$330,000.

++ THE BOTTOM LINE ++

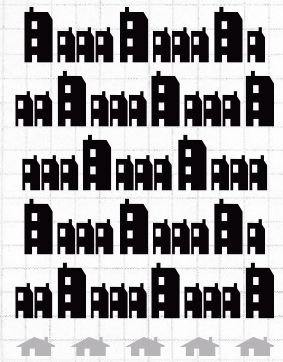
Realtors say New Midtown homes in the \$200Ks still sell fast, but a mishmash of development over the decades makes accurate statistics on the area hard to nail down. At Dennis and Austin Streets, for example, HAR data indicate the 11-year-old Austin Park bungalows increased in value 5.6 percent from 2004 to 2008, to \$134.29 per square foot. Meanwhile, real estate site Zillow.com estimates values in Midtown at large are actually down about 6.6 percent since 2005.



NUMBER CRUNCH

85%

Homes sold during the last year in the emerging young-professional hub of New Midtown that are townhouses or condos, according to the Houston Association of Realtors



What Your \$\$\$ Gets You:

\$595,000

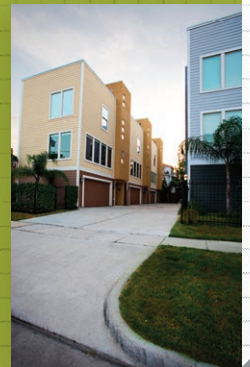
2411 Caroline St.

One of the neighborhood's few remaining historic houses has had only three owners since 1892. The most recent lovingly restored the house to its Victorian glory, and the interior overflows with era-appropriate woodwork and details, like a claw-footed tub.



3234 La Branch St.

This close to Downtown, you don't have to build very high for reach-out-and-touch vistas of the skyline. At this four-story townhouse, you can enjoy the view from the oversized hot tub on the rooftop terrace.



\$354,000

\$238,900 (Median Home Value*)

1314 Tuam St.

Two-bedroom, three-story townhouses—like this one just steps from the lightrail—draw first-time home buyers and young professionals craving a walkable urban lifestyle.



\$226,000

* MEDIAN SALE PRICE IN THIS AREA FOR THE LAST SIX MONTHS, ACCORDING TO HAR

Southampton: The Sure Thing

Even as far-flung tract mansions faltered in the dour housing market, the inner-Loop enclaves around the distinguished Southampton neighborhood have retained a timeless appeal among high-end homebuyers, most notably among those looking for a starter mansion. “It’s kind of a fluke, but things are really moving below a million,” says realtor Peggy Vineyard.

Despite the current woes in real estate, values in Southampton continue to rise, and bidding wars still crop up between well-heeled couples looking to raise their kids along its shady boulevards. Vineyard, a 17-year Southampton Place resident and longtime realtor with Martha Turner Properties, points to the historic air and prime location of the area bounded by Rice University and Hermann Park.

“Southampton has a European feel because you can walk to Rice Village,” she says of the proximity to the breezy shopping district. And the neighborhood’s southeast corner cozies up to the Museum District,

scenester-friendly Hotel ZaZa and Hermann Park, with its zoo, golf course and the Miller Outdoor Theater—where urbanites pack shiraz and goodies from Central Market for summer evening picnics.

Just to the north of Southampton lies Broadacres, where ivy clings to brick, wide lawns yield to guest cottages, and expansive homes are brought to human scale by the ancient trees that surround them. “The location is so fabulous because you’re near Rice, you’re near the Medical Center, you’re near Downtown,” says realtor Mary Henderson.

Fewer than 30 homes line North and South Boulevards in the original 80-year-old subdivision of Broadacres, and their average publicly assessed value increased more than 14 percent last year.

Behind high walls and automated gates just a few blocks away, a handful of energy execs, lawyers and physicians come home to even more exclusive Shadyside. The founder of Texaco established—then tightly controlled access to—the neighborhood in the 1920s. With only about 20 mansions along its private streets, Shadyside remains exclusive to this day. In fact there have been only two sales in the last two years listed publicly on the MLS, for a cool \$8.3 million and \$11.3 million.

Slightly more accessible but still elegant neighborhoods like Edgemont, Shadowlawn and Ormond Place fill in the remaining blocks between the park and Greenbriar Drive. Teardowns have given way to a few impressive contemporary homes, and townhouses like those at London-inspired Cheyne Walk, developed by local builder Röhe & Wright, have added a few pockets of urban flare. But the neighborhood’s historic, leafy calm remains in tact and invites families to enjoy its parks and close-in shops.

“I am a huge threat because what I have done renders everything they have junk.”

—retired surgeon Anthony Walter, as quoted in a recent New York Times article, on the Southampton interiors he’s covered with gilt and Baroque-style paintings and offered to the nearby MFA as a satellite museum. With its proximity to the Museum District, the 'hood is rife with art lovers, though most locals favor traditionally understated décor.



Clockwise from top: Cobblestones and mature oaks line a wide boulevard; the new Tiffany Bridge in Hermann Park; a typically stately Southampton-area mansion



++ WALK TO ++

Fashionistas scour the selection of Isabel Marant, Zero+Maria Cornejo, Hoss and other hard-to-find labels at Leap on Bissonnet. Nearby, Bella Boutique just moved into the neighborhood, in a deco-style space on Sunset, offering Trina Turk, Alice & Trixie, Rachel Pally and Bernardo footwear.

++ EAT HERE ++

Families head to Raven Grill on Bissonnet for fresh seafood, Sunday brunch and wood-fire cooked entrees like chipotle-glazed honey pork chops. Two doors down, sister restaurant Picnic's parking lot is packed with Range Rovers when hip moms stop in for lunch to go—and fresh-baked bread.

++ HISTORIC ARCHITECTURE ++

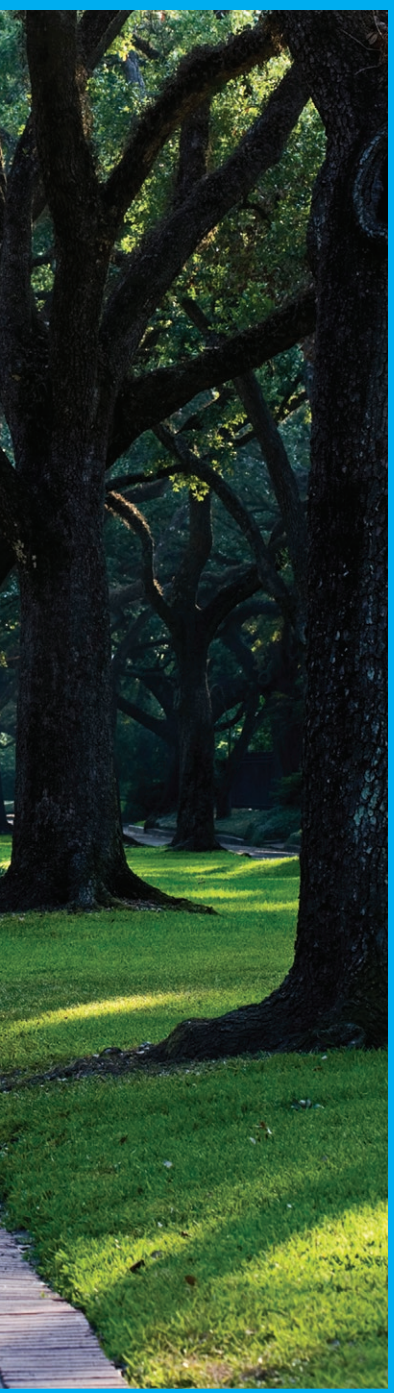
In addition to the Museum of Fine Arts and much of Rice University, noted architect William Ward Watkin designed many of this area's historic homes and laid out the Broadacres and Southampton Place subdivisions. "They are from an age where quality residential architecture was important, and people didn't hire someone to build just a house from a house plan," says Properties Magazine editor Penny Jones, commenting on Shadyside specifically. "They used the best architects that they could, and the finest architects in Houston worked in there."

++ IF YOU LIKE THAT, YOU'LL LOVE THIS ++

West University Place. Just a few blocks to the west, this city within the city has the same distinguished, family-friendly feel and a median sale price of \$1.3 million during the last two years.

++ THE BOTTOM LINE ++

Homes at the highest price range are lingering on the market a little longer lately, and the prices aren't skyrocketing as they once did. But overall trends are holding. The average price per square foot among the 609 houses in the Southampton Place subdivision increased 42 percent from 2004 to 2008, hitting nearly \$288.



Public art brightens the plaza outside the nearby Museum of Fine Arts.

NUMBER CRUNCH

2007

The last year a publicly listed home changed hands in the exclusive Broadacres subdivision

What Your \$\$\$ Gets You:

\$12,495,000

1 Longfellow Ln.

To hell with the country club! You've got a tennis court, pool and putting green in your back yard. Two-acre Shadyside estate also makes room for a carriage house and garden cottage beside the 11,862-square-foot 1926 residence designed in the Venetian revival style by William Ward Watkin.



1404 North Blvd.

This five-bedroom 1930 manse in Broadacres comes with a pool, summer kitchen and guest house. The pièce de résistance? The master bathroom has a Jacuzzi, three walk-in closets and his and hers bronze chandeliers.



\$3,870,000

\$1,095,000

2128 Quenby St.

This five-bed Georgian, which dates to 1984, has a formal dining room with 10-foot ceilings and a library off the master. Thank the compact lot of just 5,750 square feet for the starter-mansion price tag.



\$822,000 (Median Home Value*)

*MEDIAN SALE PRICE BASED ON HAR DATA ON SALES FOR THE LAST SIX MONTHS BETWEEN HERMANN PARK, GREENBRIAR DRIVE, RICE UNIVERSITY AND I-59.