

The Hampton Quarterly

Issue 1 • Volume 1 • Spring 2008

Custom Builder Develops Sag Harbor Waterfront Masterpiece

Design Preserves Areas' Historic Charm and Natural Setting



Only 20 homes dot the stretch of land just west of the Sag Harbor causeway. One of these parcels was purchased at the end of 2006 by a joint venture formed by PCH, Inc. a custom builder located in Bridgehampton, NY. PCH forms joint ventures with clients that are interested in capital appreciation through the development of ultra-luxury homes in prime locations in the Hamptons.

Although the parcel was purchased with approved plans, PCH spent the next year planning and designing a gracious home that would preserve the site's natural beauty and conform to the areas' historic architecture. The final design had input from the builder, PCH, from the architecture firm, East-End Design and from NYC based designers Hein Cozzi. The collaboration between builder and design team resulted in the execution of a one-of-a-kind masterpiece. It breaks with the trend among developers in the Hamptons, most of whom seem bent on producing similarly styled, gigantic mansions. This is clearly not another one of those cloned homes known euphemistically as "McMansions".

After just 14 months of construction time and a convoluted, often tortuous permitting process, PCH worked with both the federal DEC and the local town government. PCH is now in the final stages of completion of this

Continued on page 2

Custom Builder Develops Sag Harbor Waterfront Masterpiece 1

Appraiser's Corner: Is Now the Right Time? 2

PCH Interviews Maziar Behrooz of MB Architecture 3

Hamptons Light and Modern Interior Finishes 6

Construction Financing in a Tight Lending Environment 7

Chris May, Editor
cmay@pchinc.com

Priceless Custom Homes, Inc.

Peter Mangiameli, President

PO Box 246
Sagaponack, NY 11962
Tel 631 537 8762



© 2008 PCH Inc.

wonderful waterfront luxury home. The home has been raised eight feet above the surrounding flood plain. This thoughtful site-planning enabled PCH to preserve the pristine wetland areas while it created magnificent water views from almost every room. The main living area opens out to a sun porch and terraced blue-stone patio that overlooks the spa and infinity edge pool. The flowing waters of the pool will seemingly merge with the 115' of Sag Harbor bay front.

Many of the architectural features are consistent with the areas' historic architecture; the tapered stucco chimneys are adorned with unusual nautical caps, the custom railings, the wooden front entry porch, the shaker window shutters, the hickory floors and the beautiful hand-crafted stone-work. . .these are just a few examples. Of course, the design also has a contemporary flair. This is an ultra-luxury home that is built to today's standards. There is a great room, library and kitchen-family room, all with custom millwork, built-in cabinetry and each room is warmed by its own fireplace.

To lessen the impact and further harmonize the home with the surrounding neighborhood, PCH actually reduced its footprint from the original design that had been approved by the town. The ultimate PCH design called for a 6000 sq. ft., seven bedroom home that was just within the North Haven Township's FAR restrictions. This efficiency, in part, was made possible by the addition of a finished basement with 10' ceilings, a third floor of living area which added two additional bedrooms and baths, an expansive media room, gym, sauna, wine cellar, and billiards room.

This PCH home is a waterfront masterpiece that sets the bar for all builders in the Hamptons. PCH is offering a level of quality and detail only found in the finest custom homes, but without the typical 3-4 years wait that is required to plan, design and execute its construction. PCH has created a truly unique and beautiful luxury waterfront home that complements the property's natural beauty while it respects local architectural traditions. For further information, please contact PCH at: 631-537-8762. ■



NYC Metropolitan Area Mortgage Interest Rates

TERM	RATE	APR
30 Yr Fix	5.125%	5.46%
15 Yr Fix	4.375%	4.97%
7/1 ARM	4.875%	4.71%
5/1 ARM	4.625%	4.53%

Rates as of April 8, 2008. Data courtesy of manhattanmortgage.com

Appraiser's Corner

Is Now the Right Time?

by Charles Fuchs

As an appraiser in the Hamptons it seems that the constant question I am being asked is not what is my house worth but is now the time I should buy or sell. This must be because I am not a Real Estate broker who always answers those questions with YES and give me the exclusive and I have a buyer and can I show you something for maybe \$6,000,000.

Actually this may be just the time to buy or build. The rates are low, the jumbo mortgage ceiling is about to be raised, and though the blood is not running in the streets of Sagaponack it is pretty ugly in Detroit.

When we read the papers and see the debacle of sub prime mortgages it does stun us. But when I saw one of the applications stating that a guy who was a landscaper was making \$30,000 a month maybe someone should have questioned that. Not my job. My job was to see if the house he was buying was worth it.

In the middle of the market the prices have flattened out which is usually the case here in the Hamptons. Most of the larger and most prestigious houses will still be selling for the national debt of a small country. These houses always sell because people who are smart enough to have that much money also know that nothing builds wealth like time.

A little fear in the market and the buyer is in control. The people who know are buying at most levels because they know it is hard to pick the bottom of a market and in time the prices will rise to as they say "all time highs".

The other obvious choice is to build. We are not the Toll brothers so I am not talking about 250 tract homes in Las Vegas. A new custom home takes from 18 to 24 months to build from the planning stage to completion. If the market is bad now it is a very good possibility that in 24 months the market will have cycled higher. It may be better to build in a down market than a strong market if you are trying to plan out 24 months.

That brings us back to the question, is now the right time? Judging from the sales that are crossing my desk I would have to say that as usual the Hampton buyers know more than I do.

Charlie Fuchs is a certified real estate appraiser who has been appraising homes in the East End for the past 14 years.

PCH Interviews Maziar Behrooz, AIA

January 29, 2008



Maziar Behrooz of MB Architecture, East Hampton, NY

What is the typical relationship you have with your clients and builders? How is the relationship structured to enhance communication?

The relationship with the client is very close. Sometimes we work with the client from the very start, even before they purchase the land. We come up with a design scheme that will be developed into construction drawings. We work very closely, sometimes more than once a day. They

become attuned with all the phases of the drawings, all the design issues and choices that have to be made.

Do you actually pair the client with a contractor during the design phase or do they always come in at the end?

I have tried that with almost every project, to bring the contractor in prior to completion of the drawings, to try to initiate a relationship between them. However, most clients prefer to send the drawings out for bids from several contractors, feeling that unless they do that they are not going to get the best estimates. So we have tried pairing clients and contractors and it has worked in some of our projects but I think that in the majority of cases, the contractor may see the drawings before they are completed but only get the full set when the design drawings are completed.

You view your designs as an art form and the builder as the executor of those designs. What do you look for in a builder to ensure accurate expression and efficient execution of your designs?

In most cases, the builder must demonstrate an enthusiasm about the project and about the work I do. If they are not interested it would be very hard to work with them. I look at their portfolios. In my case because we do very contemporary architecture and most builders do more traditional projects, it's important that they at least have some knowledge and experience dealing with contemporary projects.

Then there is a whole other layer of project management. The builder that has office staff is able to handle non-job site issues better: dealing with phone calls, administration, ordering materials, talking to vendors. Someone who has bookkeeping and invoicing capabilities is also important to



Montauk Sky House – a second floor staircase brings in light

us. Ultimately we like to work with a builder who is willing to make corrections to their work, someone that is committed to getting it right.

What do you believe a client should look for in an architect? In the client-architect relationship, what should each bring to the table?

I tell my clients that at the most basic level we have to be comfortable with each other. Dialogue, exchanging information, that is the key because we are going to be working together for 1 ½ years. We really need to be able to communicate very well. Of course, most clients like to see what we have done in the past and that they can relate to our work.

What is your approach with a new client/project?

Some things are basic that I maintain for every client, a core philosophy. Then there are layers piled on top of that, which are determined by the job, the site, the location, how the clients use the house, their budget, if there is some feature of another house that we are interested in... I look at every aspect of the project and I try to reduce it down to a core idea and then try to create an overall form or gesture which is simple and yet responds to all the complex issues which any job would have.

How do you address constraints like budget and site issues?

I try to guide them. Some clients are very knowledgeable with respect to design and architecture but they just haven't done as many buildings or been involved in construction as much as I have. No matter how strong their opinions are, I have to guide them about what is right. You are weaving a web and the clients might be able to comprehend one section of that web but the web as a whole has to work well together. It's my job to make them understand, that I do listen to them as well. It's a give and take. In fact, client input can really animate a project and make it interesting because it pushes the architect in one way or another.

You have written about "softening modernism" with a "complexity and softness that is appropriate to today's lifestyle on the East End". I think many of our readers would like to understand how this is accomplished. At what stage in the design process does this softening occur?

It could be from the very start, where you...before you are even designing or drawing. Where you have a vision: this house has so many rooms, kitchens, bathrooms...right there, there is room to explore how the house and the rooms could be laid out differently.

We are moving away from a modernism that is defined by the grid, by an orthogonal geometry, to an architecture that isn't perfect, that shows defects, that is less heroic. Very often I deliberately introduce a design strategy to distort geometry.

When I look at very old wood houses and the way they have settled into the ground and developed deflections and irregularities, I get inspired. How can inconsistencies that have developed over time be designed into a new building without looking like a visual affect?

Are there specific architectural elements you introduce: curved windows, sunken living rooms, and hearth?



Montauk Sky House – "slits" soften surrounding wall

Softening architecture can also be accomplished using materials that may be softer to the touch. We use forms, shapes, and take the edge off of them. Not the usual orthogonal layouts but softening the corners and edges. Yes or a second floor staircase that breaks through a perimeter wall and turns on the exterior of the house and comes back in. So you are breaking up the notion of a perimeter wall. It's not such a taut surface any more. It's more open, bringing light in.

Looking at each component of a building, the wall, the floor, the room, these are architectural elements that must be distinguished. They sometimes end up having slits on the top and bottom or left and right. So you can see it as a free standing plane that wraps around a surrounding wall.

I've seen that in one of your fireplaces. There was a slit at the top and there was decorative glassware placed above it. Do you work with interior design firms that assist you in the softening process?

Yes I do work with interior designers and often I do help find some key pieces of interior furniture. I usually help the owners take over that process themselves.



Casa Malaparte by Libera

Your house with the "Green Roof" in Montauk has received widespread notoriety and accolades. Can you explain the advantages/disadvantages?

In that case, the roof is a real outdoor room that you can occupy. It even had a fire pit as well as a wall that curves around the fire pit area to

enclose the space on the roof so that you don't feel like you can be blown off the roof at any time when it's windy. And the view is panoramic. The whole house is about ascending up to that roof level. So there, the ideal was really to create a garden on the roof. You have the sitting area, the fire pit, the wall that wraps around, the beautiful view and surrounding that was a tiny garden. The roof feels like you are on an elevated plateau, able to look out and appreciate the natural surroundings. It reminds me of Casa Malaparte by the architect Libera.

In terms of the Green design aspects, the advantages are clear. In the summertime when normally the sun would be bearing down on a black rubber roof, now that is mitigated by plant material and soil so the roof doesn't get as hot. You have an extra layer of insulation on top of the roof and in the winter months that extra layer of insulation helps maintain the heat in the house.



Montauk birdseye view

What are the costs and maintenance requirements?

In the past they were very difficult to install because you had to create the trays in which these garden would grow. Nowadays there are manufacturers that have patented a lightweight tray. The installation of about a 1000 SF roof took less than a day. The cost was manageable. It was not cost-prohibitive in any way. And the garden is aesthetically very pleasing. You could plant a lawn. We planted flowers native to the area. The first five-six months it required irrigation but after that it just grows by itself with normal rainfall.

Have you implemented other alternative energy solutions: solar, wind and geothermal?

For years we have proposed them but only now is the pricing at a point where we can convince our clients to use them. Previously, solar was cost-prohibitive and the technology was changing rapidly. The installation of solar panels 7-8 years ago would have meant that a couple of years later that technology would be obsolete and you would have to upgrade again at considerable cost. Nowadays solar panels are really meaningful in terms of lowering heating cost. They are going into two of our projects at the moment.

Radiant flooring is a good way to heat a house and it's pretty efficient. Geothermal, everyone's talking about it but we haven't done it yet. We are probably going to do it in our next project.

I have read about some of the influences on your work like Norman Jaffe? Do your designs today still reflect his influence?

He was an influence like many others. Some of what draws him apart from some of the other well-known architects in the area, is how he tied the homes to the landscape. Richard Meier, Charles Gwathmey all these were his contemporaries but they never tied their buildings into the landscape successfully, the way he did. He really carved his buildings into the earth and even said himself that his buildings were connected

to the earth. But at the same time they were carved out of the sky. His roofs, in his words, were the way the sky was carved and that was really interesting the way they reached up.

With your Montauk "Sky House" was that what you were thinking of?

It's really an attempt not to see a house as an object that could be plopped down anywhere, meaning in any part of the country. Modernism in the past suffered from this. You could take a house from California and bring it to New York and there would hardly be any differences. Going back to your question about softening modernism, it looked not only at how the house relates to this region but how the house relates to the actual piece of land it's sitting on.

Many contemporary homes built in the 70's and 80's are being replaced. Still there is considerable interest among a new generation of Hamptons homebuyers in contemporary architecture. Can you give us a brief history of the evolution of contemporary architecture on the East End?

Modern architecture in the northeast was to a great extent founded right here in East Hampton. Some of the early houses we have in Amagansett, built by Nesky, Jaffe, Gwathmey, even the French architect like Pierre Chareaux back in the 60's and 70's, this was an area where architects would experiment in architecture. I think that the reason they came to do that here was that the houses were just for summer. They weren't winterized as much so it allowed them to play around without worrying about winter conditions. Eventually, that gave way to modern architecture becoming more mainstream and then all kinds of copies were developed where people with less skills and talent could try to do modern buildings. And I think we were ending at a point where we were seeing a lot of boxes without that much distinction. That is where the tide turned late in the 70's and 80's and people started looking at shingled architecture and the past as a substitute. Now, in the past 5-6 years we are seeing a resurfacing of modernism.

There is a lot behind it. There is a cultural trend. There is a big real estate trend because of what we see with the houses at Sagaponack that Coco Brown initiated. Against the constant barrage of real estate dogma that only shingle style houses sell, Coco Brown went against all of that. He bought 35 lots and had the most modern architects design homes for each of them. And each one of them is now selling for 3-4 times the initial projected sale price. So people realize modern architecture is selling, as well. It's funny because in the past people would come to me and say: Well, I like modern architecture. I'm more comfortable in houses with more light, more open spaces, more windows that are connected to the outside. They're not so introverted. They're extroverted homes. But I think that when it's time to sell, I'm not going to be able to sell it. Now that stigma has been removed. Modern architecture sells. Now modern architecture is becoming a plus in some cases.

Can you tell us the direction you see it taking in the near future?

I'm not sure which way contemporary architecture in the Hamptons will be going. Because on a broader scale, nationally it's changing, finding itself, it's figuring itself out. But my practice will be at the forefront of whatever architecture is being developed here.

In your current Hedges Lane project, can you explain how these influences have impacted the design?

The Hedges Lane project is in the lanes in Amagansett, which are ¼-½ acre sites with very small-scale homes. In the past 3-4 years there has been an awful trend to take these small parcels and fill them up with building, one setback to the other setback. This house reverses that completely. The part of the house that faces Hedges Lane may in fact be smaller than most of the other houses on the street. The square footage of the house, is in its depth, as it goes back into the lot. Also, rather than being centered on the site, we pushed the house completely to one corner of the site to create as much space as we can. That's been one of the key issues, volume of the house and its sizing.

Then you achieved the right proportionality for the site. Is that just a perception?

Yes. If you were driving down Hedges Lane and you saw some of the older houses, maybe a ranch or a cape. I think our house will be unusual maybe in its choice of materials, but the profile, the size and scale of it will not be overwhelming. You will not be offended by its being out of scale. It's definitely a trend in my office. I've been talking to clients about reducing the size of houses for a while now. We are not trying to create a small home, but ultimately someone else would have created a much larger home on that site.

We have four bedrooms. All the living spaces are on the ground floor. The public spaces; living, kitchen, dining and all that, it's very open. All of the first floor can be seen as one open space. Or, using the sliding doors and pocket doors you can shut out portions and create smaller pockets of space. It has a summer side and a winter side. In summer, the doors can all be open and the exterior doors can open up. You can almost walk

in and out without any barrier, without being obstructed in any way. In winter, the pocket doors would close. You can create zones of space, have different parts heated up and have that efficiency. ■



Hamptons Light and Modern Interior Finishes

by Penelope Irwin of Irwinteriors



The Hamptons are such a special part of the Northeast. And, one of the reasons it is so beautiful is the light. The light is ever changing, brilliantly clear to misty and moody, what ever the time of day, the light will transform a room.

Designing with the play of the light in mind can really turn a house into a showplace home. Before I begin the design process, I spend time at the property watching the light and how it

plays against the foliage or a waterway and of course I watch the sunset. Each piece of property and each home has a distinct relationship to the light. As a designer my goal is to enhance that light in the home. This is how I bring inside the colors and elements of the outdoors. I also have a team of people who can implement my vision.

My confidence in the builder is paramount to the success of my projects. In order to install and care for the materials and products I use, there must be a strong understanding of building as an art form. Having a master builder is vital, having a master builder who has a strong team is essential. The materials and elements I use require in many cases – out of the box - thinking. I have to be able to discuss the concept, discover the problems, create the solutions, and try the application with a builder who understands the process. It is truly a team sport and the only way to achieve the highest level of building and quality installation is when all parties are willing to explore the process.

The truth is, that the light in the Hamptons is so provocative, it makes choosing natural materials such as limestone, marble, and interesting woods a pleasure because they all enhance my efforts to bring the outside inside. The trick is to be able to skillfully install these materials with the correct balance and application. A floor laid with 20" x 20" pieces of French limestone is completely exposed for its beauty. We can see the density and movement of subtle color. Its only accessory is the grout lines, and they must be thin crisp and straight.

Another material I use often on walls and ceilings is wood. Gorgeous woods, such as rift sawn oaks, American walnut, teak and reclaimed woods are some of my favorites. When the wood is French polished it subtly captures the light and gives the room a soft, glowing and very modern



appearance. Pairing these applied walls with floors of polished concrete or stone is simply elegant and oh so wonderful to walk on with bare feet.

I am generally not a fan of textured or specialty finish walls, yet in the Hamptons I just love the play of light against texture. Venetian plaster, various degrees of polish in the paint and the fine natural textures of many types of wallpaper all seem to find their way into my interiors. These finishes are a great way to bring in colors that compliment the room and its natural lighting. In one of my projects, we applied Venetian Plaster to an open living room and dining room - with wide long strokes, not the traditional quick wispy strokes. The color was the color of sand at the beach. Every afternoon the entire room would turn orange, then fuchsia, then gold as it basked in the light of the sunset. It was the best light show imaginable.

Bringing the many moods of the light inside is the key to great design in the Hamptons. Having a great team that can execute these design elements is also essential to realizing this element of modern interior design. ■



2007 Home Sales in the Hamptons

	\$1-3 Million	\$3-5 Million	\$5-25 Million
East Hampton			
Previously Owned	117	22	18
New Construction	6	2	2
Total	123	24	20

Bridgehampton			
Previously Owned	22	19	16
New Construction	3	3	3
Total	25	22	19

Sagaponack			
Previously Owned	5	10	13
New Construction	0	1	4
Total	5	11	17

Southampton			
Previously Owned	59	15	13
New Construction	3	4	2
Total	62	19	15

Construction Financing in a Tight Lending Environment

by Eve Jarrett, Mortgage Specialist

Manhattan Mortgage Company East Hampton, NY

Not all banks who offer home financing offer it for the purpose of construction. Construction financing is a fairly limited commodity especially in the present lending climate. It is even more difficult to find lenders that have an appetite to lend on a No Income Verification basis, but thankfully there are still some lenders that do offer these products. This makes working with a knowledgeable mortgage professional essential.

Whether you are an individual who wants to build their own home or an investor who wants to build what's known as a "spec" house, it's important to do a certain amount of due-diligence before you even begin on the road to engage a lender. The first thing that should be considered is project's sensibility. Does the size of the lot that you are thinking of purchasing lend itself to the size of house that you are thinking about building? It makes sense to align yourself with a local realtor who knows the area extremely well and can give you comparable sales data to use as a gauge as to whether or not what you are planning to do fits in with the landscape of homes within a 1 mile radius of the proposed site. Even if the house is for your own use and not for resale you don't want to overbuild or under build for that matter. It's important to know, that many lenders take into account what the completed value of the home will be

when they are determining how much will be available to lend for your project, not just the cost of acquisition and construction. It has to make sense. Therefore making sure that your house fits stylistically, size-wise and cost-wise is integral to the outcome of your financing.

Another important aspect of obtaining a construction loan today is that the builder is also required to meet certain requirements. This is not just for the banks protection but also the homeowner's. They will need to supply various references and insurances but not to worry; this aspect of the process is not generally something that holds up getting to a closing. The key is going to be having everything that is required by the lender at the time of application along with your documentation. ■

Case Study

What follows are the broad strokes of a hypothetical construction project for an individual who is building a new house. In this case the cost of the land is \$2,000,000 and the cost of construction is \$3,000,000 with an appraised completed value of \$6,500,000. This particular lender will give 65% of the loan amount toward acquiring the land and 75% of the hard and soft costs of the project, so long as the loan amount does not exceed 65% of the completed LTV (loan to value). In this case that means they will lend a total of \$3,550,000 against a total cost of \$5,000,000. The home owner will need to put approximately \$1,450,000 of their own funds into the project plus the closing costs. The borrower's income and assets must also meet all of the bank's guidelines regarding their debt to income ratio requirements as well as their post closing liquid reserve requirements in order to qualify for this financing.

Lastly, on construction loans, whatever rate is locked in at closing, you are only billed for the interest during the construction phase on funds that have been disbursed. On a project like this, the time-frame allotted to complete would be approximately 18 months. This lender locks in the same rate that you have for construction, for the remainder of the term of the 5 year loan. And for whatever time is left, once the C OF O is issued, it will either be on an interest-only basis or amortized depending on what was selected initially.



Peter Mangiameli is pleased to invite all to an

Open House
Wine & Cheese Party
at

82 Ferry Road

In Sag Harbor, NY

Friday, May 9 & Saturday, May 10

3:00 – 6:00 PM

A last chance to view this exceptional property
before the new owners take possession

Please RSVP at: peter@pchinc.com

631-537-8762, ext. 10

