

Homelife

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CHICAGO SUN-TIMES

FRIDAY, AUGUST 23, 1991

PULL-OUT SECTION



2nd-home buyers flock to the shores

GETAWAY HOMES

By Jerry C. Davis

For seasonal getaways, retirement or investment, the condo on the water somewhere near Chicago suddenly has captured the imagination of the second-home buyer.

In just three years, the Wisconsin Dells, better known for its amphibious "Ducks" and 85 other attractions (plus 62 miniature golf courses), has come into prominence as a waterfront condo community.

In Madison and Lake Geneva, Wis., and New Buffalo, Mich., to name a few other strong markets, well-designed waterfront condos enjoyed a surge of buyer activity that defies the slow pace of other second-home sales around the country.

Developer Michael Peterson is right in the middle of all the Wisconsin action. He just completed the total sales of two developments in the Wisconsin Dells area, is finishing another in Madison and is looking

toward the 1992 opening of his next, in Lake Geneva.

Peterson is a builder of low-rise housing, strongly oriented to the water with plenty of dock and marina space.

The Rockford native even chose the name Blue Water Development Co. to ensure that he is not mistaken for a landlubber.

"I wouldn't do a development unless it was on the water," Peterson said. "It's healthier, more fun; it's where people today want to be."

His success in fully selling two projects within two years at Wisconsin Dells demonstrates the popularity of this type residential product. At Lighthouse Cove in Lake Delton and Sunset Cove in the Wisconsin Dells, an on-site rental program keeps most of the units occupied in

ABOVE: The condos at Lighthouse Cove in Lake Delton, Wis., are rented when owners are away. RIGHT: The development's namesake lighthouse.



the high seasons.

Condo buyers may realize enough in rentals to nearly cover their mortgage costs and expenses.

An organized rental program is not offered at Blue Water's flagship development, Mariner's Cove at Lighthouse Bay, where the last 30 of 75 units at Lake Mendota are going up on the north side of Madison. That's about a three-hour drive from downtown Chicago.

As in his other developments, Peterson put in the amenities first at Mariner's Cove. He believes that second-home buyers are naturally fearful that the promised clubhouse, pool, tennis courts, fitness center and marina facilities may never be built after the development sells out. So he puts them in upfront.

"The amenities are a marketing tool for everything else," Peterson said. "We want people to see the pools (indoor and outdoor), clubhouse and marina so they will know that we are not just going halfway with this project."

From one-bedroom condos—priced as low as \$99,900 as a "loss leader"—to units of up to four bedrooms, Blue Water Development still can offer a variety of choices at the Madison project.

A typical one-bedroom unit of 1,400 square feet is priced from \$99,900 to \$165,900. A two-bedroom condo with 1,800 square feet would cost \$159,900 to \$219,900, and a three-bedroom of 2,379 square feet would cost \$189,000 to \$249,000. The development also has a few four-bedroom units of 2,940 square feet listed for \$262,900.

Typical Blue Water buyers make about \$70,000 a year. The company expects about a third of its buyers to come from the Chicago area—not as good as the Wisconsin Dells, where 80 percent to 90 percent were from metropolitan Chicago.

Balconies are numerous at Mariner's Cove, some off master bedrooms that are about 15 by 18 feet in size. Other units have glass-enclosed sun porches, some facing the water, a few yards away.

The kitchens' oak trim matches wood used throughout the condominiums. Kitchen-island food preparation areas and fireplaces are offered in many units, and whirlpool tubs are standard.

If Madison is too far, Peterson is preparing to start the Cove of Lake Geneva, two hours from Chicago in the Wisconsin resort community.

Resales are also available at the company's two developments in Wisconsin Dells.

A typical two-bedroom, two-bath resale at Lighthouse Cove recently was offered at \$115,000 for about 1,700 square feet. That unit originally was sold two years ago by the developer for about \$70,000.

At Lake Geneva, development recently started on condos and other housing at Geneva National, an Anvan Development Corp. project with golf courses designed by Arnold Palmer, Lee Trevino and Gary Player.

Condos at the Fairways of Geneva National, grouped four to a building, start at \$93,900 for about 1,010 square feet. Town houses of about 1,300 square feet in a section called the Woodlands start at \$131,900.

These units are not on the water, but most buyers probably will join the elaborate Geneva National Club or Hunt Club for lakefront privileges.

South Cove in New Buffalo is meant for the boater as emphatically as Geneva National is for the golfer. Maybe more so, because the condos in the current phase at this development are literally built as an extension of the owner's boat.

The prices of \$190,000 and up include a slip for a large boat, valued separately at \$50,000. The 960 square feet can be designed to the buyer's wishes. Most choose to use loft space as the sleeping area, and the level extending from the boat slip for entertainment, dining and living off the boat. A one-car garage is included.

The success of these developments ensures that more will be coming as soon as developers can find desirable sites.

"We have studied successful developments like this in California, Cape Cod and elsewhere," Peterson said. "I've never seen one like our Madison project. It is a stepping-stone that will introduce us in Lake Geneva and other Midwestern locations."



A tennis court and clubhouse with pool and putting green already have been built in the Mariner's Cove at Lighthouse Bay project.



Sunset Cove condos include boat slips along the Wisconsin River in Wisconsin Dells.