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Surge Homes is Rising in Houston's Inner Loop

By Laurie Dent Wegman | Images Courtesy of Surge Homes



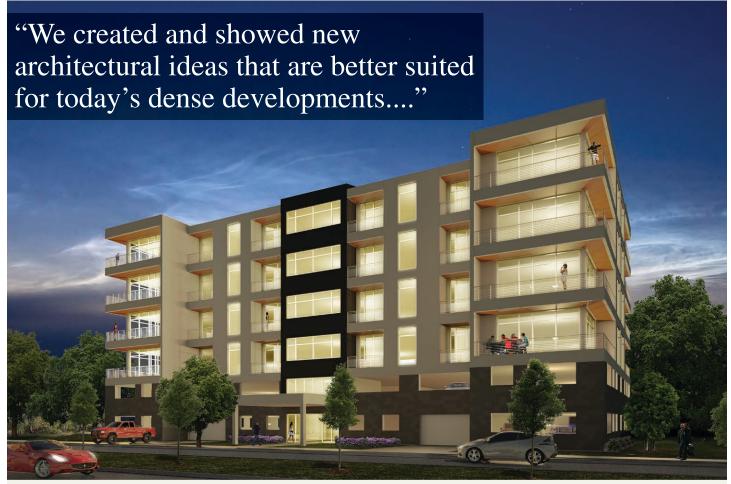
There aren't many residential real estate developers with enough vision and moxie to shake up the home building industry. Then again, there isn't a home builder quite like Surge Homes.

The Houston-based firm is run by Louis Conrad and Ben Lemieux, two partners each with more than 25 years of experience in real estate development, management, and consulting. Surge Homes was named in memory of Lemieux's father, Serge, who began investment in Houston real estate in 1989—a time when only a few people envisioned Houston's forthcoming population growth. Serge did, and as such, began acquiring prime land for later development. His strategic real estate acquisitions continued through the '90s and into 2000s, and during this

time, he scooped up dozens of apartment communities and tracks of land.

"Fifteen years ago, Louis and I worked with my family on three large residential master-planned communities around Montreal, Canada, as well as a condominium project in Poland. We also analyzed key cities in the U.S where real estate was booming," Ben Lemieux explained. "With this experience and knowledge, we agreed that Houston was going to become a booming market, regardless of the temporary fluctuations created by the price of oil."

"I owe a lot to the Lemieux family, and to Ben in particular" adds Louis Conrad. "Without them, I would not have discovered Houston in time, and would not be able to get involved to this extent in one of America's best real estate markets. I remember the year 2000 as if it was yesterday: Ben asked me to stop by Houston to look at properties for sale. At the time, Houston had virtually no traffic congestion, residential development was almost entirely composed of single-family homes, and many Inner Loop areas like Midtown were far from being the popular places to live as they are today. Nonetheless, Ben and I called Serge from Houston regarding a track of land that we wanted to put under contract. We told





Louis Conrad and Ben Lemieux Surge Homes partners.

Serge that we believed one day, Houston's traffic would become painful, the inner city more dynamic, and dense construction like attached townhomes and condominiums of all prices would be in high demand inside the Loop. Serge gave us the go ahead over the phone."

Four years after they purchased that piece of land, the duo bought a total of five Inner Loop properties for short-term development, and the Lemieux family continued their acquisition strategy for future developments.



In 2015, after developing four condominium properties in the city, Ben acquired nine prime land tracks from his family, which he would use to build innovative urban residences with Surge Homes. Lemieux partnered again with his long-time friend and colleague, Conrad.

"Predicting years ahead where people will want to live allows a developer to offer prime sites in well-established neighborhoods at competitive prices. This is what Surge Homes is offering today." Lemieux said. "However, when you purchase land at times when every developer knows where the prime areas in town are, you often have to build in more fringe and upcoming areas in order to keep the prices of your homes reasonable. This didn't happen to Surge Homes."

Because of the forward-looking vision, Surge Homes features a mix of nine established locations in hotspots such as Upper Kirby, Midtown, The Heights, Museum District, and Spring Branch East.

Paving the Way with Breakthrough DesignsIn order to offer superior value in the marketplace,

acquiring the right land at the right time is an important part of the formula—but it isn't all of it. A developer must also build the right homes. An even better scenario is to create innovative products that the market wants but can't find. Armed with this knowledge, the partners of Surge Homes invested significant resources in the first-ever interactive campaign based on crowdsourcing. The developers proposed 10 new communities, and asked the community to dictate exactly what would get built.

"We could have decided what product to offer on each site based on what sells in the market, what the comps revealed, and previous sales—as our industry often does. But we don't think this is how a builder comes up with true innovation. We believe one has to invest in research and development, and bring forth new home types, floor plans, and interior finishes," Conrad explained. "We created and showed new architectural ideas that are better suited for today's dense developments and quest for affordability in good locations. We also presented more traditional homes and finishes. Then, we humbly listened to our future homebuyers and the community before making the final decisions."





Surge Homes' crowdsourcing campaign was carried out through many digital forums, in-person events, and one-on-one discussions so that prospective buyers, neighbors, and community members could provide feedback.

Nearly 3,500 Houstonians gave their input. The most interested homebuyers purchased VIP Certificates, which secures their right to select a particular home first when it comes up for sale. The media and blog sites in the city followed the process with interest. Houston Business Journal, in one of its many articles covering Surge Homes communities, qualified the process as "innovative" and "unique," while a national construction publication asked whether Surge Homes' crowdsourcing approach might represent "The future of home design?"

Next, the designers and architects adapted the communities and created blueprints and renderings based on the selections of future homebuyers for each site. The designs were released on the Surge Homes website, social media, and via The Surge Factor, the developer's monthly e-newsletter. This is how nine Surge Homes communities serving a wide array of needs were created and how the

developer is able today to offer single-family homes, townhomes, and condominiums at price points ranging from \$150,000 to \$1.5M.

With the publicity, media attention, and cross-channel representation, Surge Homes has quickly earned a name as one of Houston's most ingenious home builders.

"Before we got the feedback from the community, many industry experts told us that our most innovative floor plans, exterior design, and interior finishes were too much ahead of the curve for Houston," Ben Lemieux said. "We are glad we invested in research because Houston is more advanced than many believe. Classic urban residences are still in demand, and while we offer them, the most innovative homes and finishes are the most popular."

Building In-house for Ultimate Quality Control

Building in desirable, established locations with residences that reflect buyers' needs is great, but the magic really happens when a perfect product is delivered





to homebuyers. This is why Surge Homes teamed up with David Modlin, a 26-year real estate veteran who has been named Vice President of Development and Construction. Born and raised in Houston, Modlin knows the local building industry inside out. He has contributed to the construction of more than 3,000 homes in the area during his tenure as Operations Manager or Division President for national builders such as Lennar Homes and Meritage Homes. More recently, as the Owner and President of Modlin Custom Homes, he has built prestigious luxury homes in The Woodlands area.

"David has a proven track record of exceptional quality control" Conrad said. "We are the developer and builder because we want to ensure detail-oriented work, from site acquisition and planning to construction, delivery, and customer service. It's the Surge Homes way. Our homes are where quality meets design."

For more information on Surge Homes visit www.surgehomes.com or call (832) 509-2222



David Modlin, V.P. of Development & Construction, in front of one of the many homes he built prior to joining Surge Homes.