



Bob Blanda,
Advanced CBP

HIGH-END BOUTIQUE CUSTOM POOLS:

WHAT YOU GET FOR THE MONEY

If you're considering joining the world of luxury pool builders, be prepared for some sticker shock. PHTA Chapter Leadership Council Chairman Bob Blanda, CEO of Mill Bergen Pools in New York City, shows us what it looks like.

Bob Blanda has a warning: "Magazine-cover pools aren't the biggest moneymakers."

"Taking on a one-off project just because it's cool or for someone that's cool is not always worth it. It may feel good to build a pool for Brad Pitt or Jessica Alba, but you usually lose money," he says.

It's hard-earned wisdom from his three decades as owner of Brooklyn, NY's Mill Bergen Pools, a boutique custom builder.

If you want to get into the high-end market, Blanda says, start instead by assessing your area home

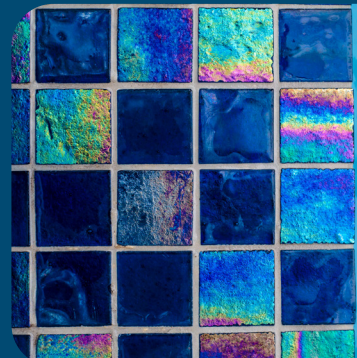
values to determine if there's enough affluence to support your goals. Blanda estimates that the average pool investment should be about 10% of the home value. He tries to make that clear up front to the homeowners he works with, who are primarily in Manhattan, where home prices warrant the big investment.

Finally, build out crews to maximize profit on these longer, more demanding projects. Today, Mill Bergen operates with four crews that build and remodel 45 pools a year. Here Blanda, Certified Advanced Pool Builder Professional (Advanced CBP), tells us about what to expect from projects of all sizes.

What you get for \$70-100,000

"When you go under \$100,000, you really mean a \$50,000 pool and then the rest of the investment is in the patio and landscaping. You're looking at a vinyl liner pool. The way to make that more attractive is to put something flashy on top like a nice piece of stone or tile. It should be striking. It's your picture frame. You can do swim streams and colors and lighting. But you cannot get a hot tub built in.

"This is a clientele that is usually a dual-income household that will take a few years to save the money. This is not a spontaneous purchase. When we do these types of projects in New York City, there's usually a block of attached houses, so you're fortunate if you can do the job during a first-floor renovation so you can come through the house.



"This clientele can take advantage of the geometric trend. The desire to put in a motorized cover has turned many pools into rectangles. It used to be all curvy and pond-like. People are giving up the aesthetics for the family's safety."

What you get for \$100-250,000

"If you're a suburban builder, this is the kind of pool you put on 1-2 acres where the houses are 3,500-4,500 square feet. Annual income for the family making this type of investment is usually \$350,000 a year, and they're looking for an 800-square-foot pool with spa, deck, and beautiful water feature plus landscaping.

"I'm working in an 18x30-foot backyard in Astoria, Queens where a pool is 9x16-feet with space for a couple of tables. It's not relative to the size; it's relative to the housing market. In Iowa, you get a crazy pool for this price. In Florida, you get a scenic pool on the intracoastal waterway with a screen and deck. In parts of California, this is a laughable budget. Prices have gone up since the pandemic; it's important to educate your customers.

"At this budget, people want to be able to walk over the pool or want it half inside/half outside with multiple vessels of water. It's not just a pool. It's feature walls, water effects, and fire bowls."



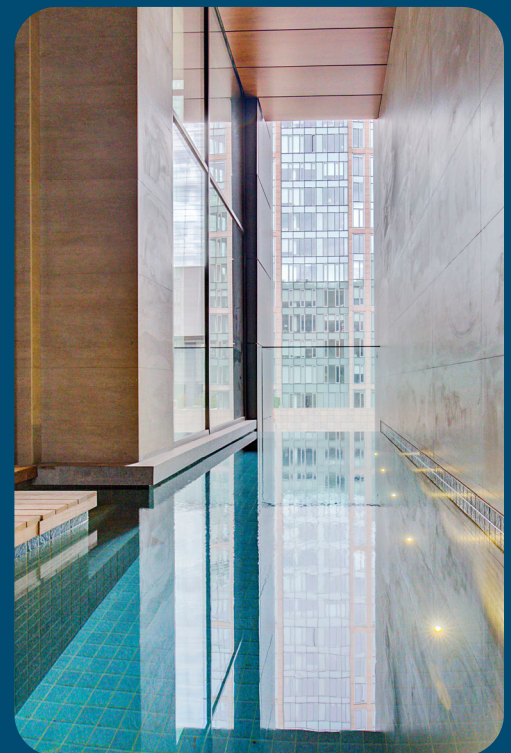
What you get for \$350,000

"We do pools on terraces and rooftops in brand new buildings where you can't easily move the product. That adds a lot of cost and is where you get this type of budget. One of our projects that was interesting was for an apartment building on The High Line. There were 12 pools to be completed, one for each unit; four pools on every floor of the three-story apartment. The architect envisioned that if you were swimming shallow to deep end, you'd be looking out onto the street.

"Building pools in a row in Florida, there's an economy of scale where you build cheaper as you get faster. I thought that would be the same case here, but it wasn't. Each unit was being built at the same time with 12 crews. I could only do three at a time. This was tough but when it was done, it was beautiful. The workmanship, the complexity, and the materials are what contribute to the cost. I'm very proud of this project.



"We're also seeing a trend toward cold plunge pools. I hope they have their heart defibrillator nearby! They say there is a health benefit. I'm doing my fifth cold plunge build right now. In our market, they're usually doing a sauna, pool, hot tub, cold plunge, and mikveh, a Jewish religious ritual bath, all in the same basement. These are big projects where it's not usually just a family that's your client; they treat it somewhat like a public space."

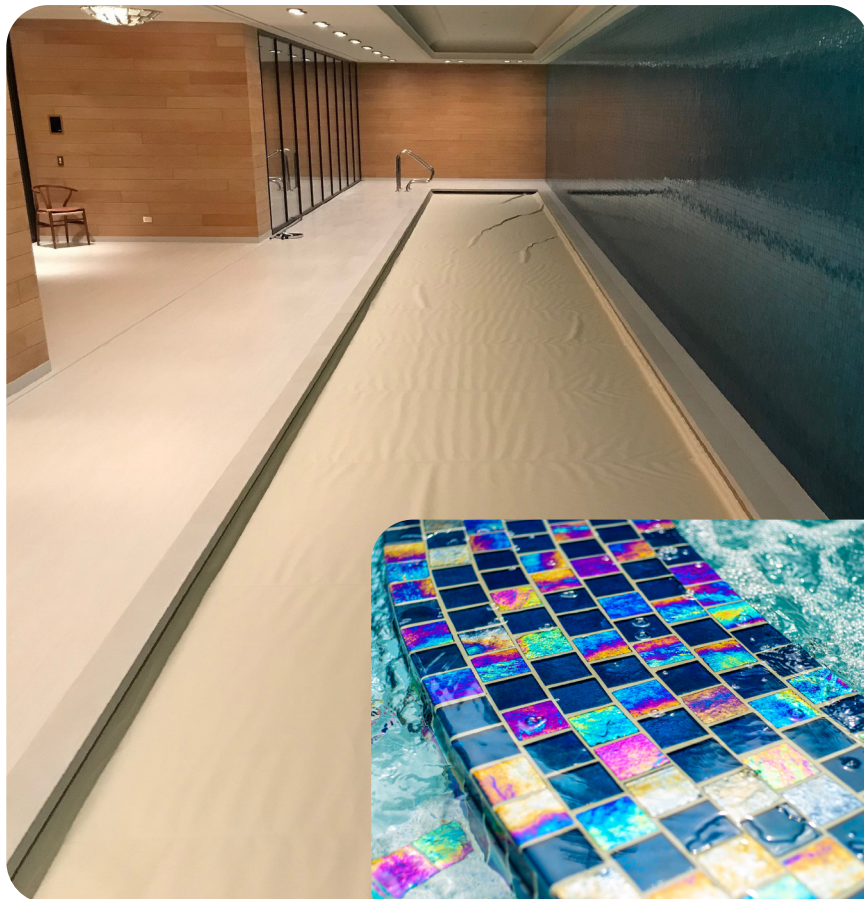
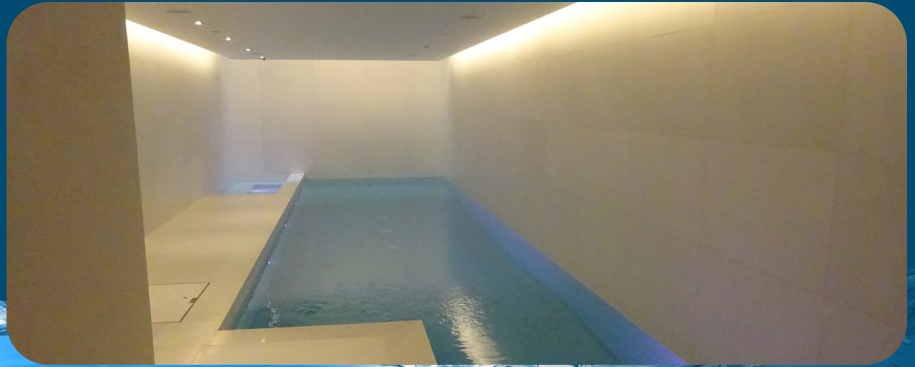


What you get for \$1 million

"These are the most custom of all the projects, but on a \$10 million+ house, it makes sense. For this investment you're probably spending \$200-300,000 just to dig the hole on the property.

"One of the projects that we did in this range was an indoor pool that went 70 feet long and down 40 feet from the street level. It went out under the backyard. This basement had 16-foot ceilings and cinder block walls and you'd never know it was there from the outside. They had 4x5-foot slabs of marble on the walls all the way down into the pool. So all you see when you walk into the room is white marble from ceiling to floor of the pool. That took four years for us to build, coming in at different stages of the home build.

The trend here is very straight, clean lines and everything is white."



If you read this article and high-end boutique building is not a fit for you, Blanda says look for other growth opportunities, like adding patio work to your pool builds.

"I had a friend in South Jersey who was doing vinyl pools only and decided he was happy to upsize to a bigger pool, but that it wasn't worth trying to go into the luxury market. His market didn't call for it and his business model wasn't set up for it," Blanda says. "But he still found ways to grow."