

A Sense of Market

Avtec Homes finds a solid niche with first-time buyers.



After spending 15 years building 10,000 homes in Florida with his Holiday Builders company, Larry Sietsma sold the firm to his employees in 1999 and retired. One year, he spent 90 days circumnavigating the globe in his Beechcraft Baron. Then, at a luncheon four years ago, someone decried the lack of affordable housing. Sietsma was moved to get back to work.

He targeted his new company, Avtec Homes, at first-time buyers, his favorite niche. The real estate market crash ensued, but Sietsma persevered. He trimmed costs by renegotiating office leases and reducing his headcount to 12 from 16. Last year, he sold 60 homes, down from

72 in 2009, for \$9 million in annual revenue. Avtec ranked No. 284 on the 2010 *Inc. 500* list.

Every Avtec home has three bedrooms, two baths and a two-car garage. The lowest-price house, at \$99,900, has 1,256 square feet. Buyers who can get credit prefer his largest model, a 2,100-sq.-ft. home for \$149,900. Land prices, materials and subcontractor costs have fallen, helping him keep prices down. But impact and permit fees on his \$100,000 model in one city total 14% of the price. He builds in Titusville, Cocoa, Deltona, Melbourne, Palm Bay and Port St. Lucie.

Sietsma is a fifth-generation home

Larry Sietsma and his daughter, Vice President Sandi Sietsma Forest, represent the fifth and sixth generations of home builders in their family.

builder, dating back to his great-grandfathers in The Netherlands. His daughter, company Vice President Sandi Sietsma Forest, is the sixth generation.

Sietsma says his best decision was choosing his market — “focusing on that first-time buyer. That’s where my heart is. We really want to build for that first time. It gets them started in life. You want to make a difference in people’s lives.” 