

## The Woods at Bath: Pioneers of Real Estate Development

*Three 18th-century  
residential projects at Bath  
are the beginning of modern  
real estate development.*

**MANY REAL ESTATE** developments are based on projects whose financial success and design innovations have made them exemplars, or models. For example, the model for the mass-produced suburb is Alfred and William Levitt's Levittown on Long Island, which began in 1947 and grew to more than 17,000 houses. The Connecticut General Life Insurance Company headquarters, designed by architects Skidmore, Owings & Merrill in 1956, influenced the design of many suburban corporate office headquarters. Southdale, the two-story shopping mall near Minneapolis, designed by Victor Gruen and developed by the Dayton Company in 1956, was the model for

indoor shopping malls. The atrium hotel, now found in almost every major American city, derives from the Hyatt Regency Atlanta, designed and developed by John Portman in 1967. In the 1980s, Charles Fraser's Hilton Head development was a model for dozens of master-planned communities.

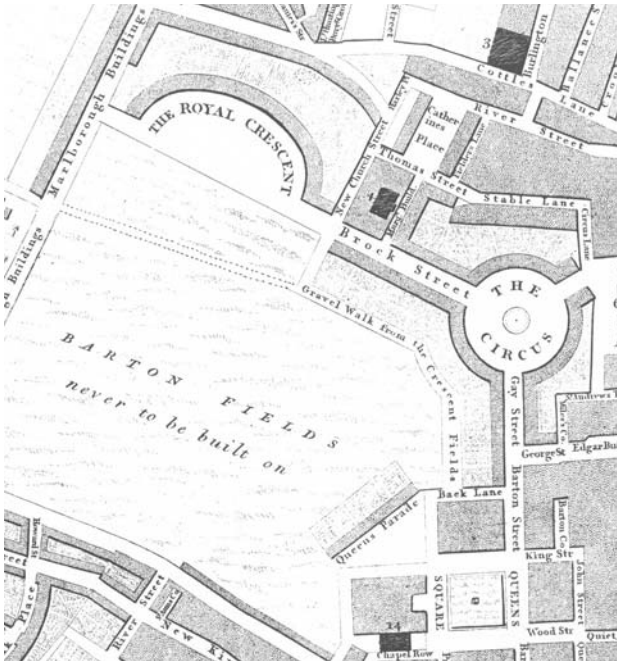
The eighteenth-century housing projects of John Wood and his son, John Wood the Younger, in Bath, England, are significant landmarks in urbanism. The stately and majestic forms, a result of the breadth, scale, and unity of the buildings and the urban spaces they contain, have influenced generations of urban designers and planners. However, the acclaim for the design of the Bath projects has overshadowed their significant, but less well-known, contribution to modern real estate development. Wood, a commoner, had to acquire and assemble land in an environment when almost all land in Britain was "entailed;" that is, owned in perpetuity by noblemen and landed gentry. He was instrumental in defining and crafting the legal and contractual methods—including the creation of rolling options—that allowed large-scale real estate development. As architect and developer, he integrated individual housing units into an ensemble, creating buildings that met the needs of a growing market. With few resources of his own, he found debt and equity financing for the project, and also

leased and managed the properties. In integrating these diverse functions and creating projects of lasting significance, Wood and his son were among the first professional real estate developers.

## BATH

The basis of Bath's early settlement was the hot springs in the center of the city. Aqua Solis—as the Roman called Bath—had a temple and large bathing complex, and functioned as a spa town for 500 years. After the end of the Roman occupation, it suffered a long period of neglect and decline. Its revival in the seventeenth century can be credited to a number of famous visitors, such as Queen Elizabeth I and Queen Anne. Slowly but surely, other dignitaries followed.

Notwithstanding the hot springs, three factors were critical in attracting visitors to Bath in the eighteenth century. First was Britain's improved economic climate. At the turn of the eighteenth century, enough wealth was being created in agriculture that noblemen and the landed gentry could afford to spend weeks, or even months, at leisure. Second, the opening of the Bath turnpike in 1707 made the city only a two-day coach ride from London. Finally, Richard "Beau" Nash came to Bath early in the century and became its impresario and official



Queen's Square, the King's Circus, and the Royal Crescent from a 1799 plan of the City of Bath and its environs.

master of ceremonies for the next 50 years. Nash—not a developer—created a refined and rich social and entertainment atmosphere around public (subscriber-based) assembly rooms for activities such as tea, concerts, card games, dances, plays, and lectures (others provided places for prostitution and gambling). By attracting persons of quality and fashionable crowds, Bath became England's prime destination resort.

The Duke of Chandos visited Bath in 1726. One of the wealthiest men in Britain, he was a shrewd entrepreneur who often invested in international ventures and was also a sophisticated patron

of the arts, employing Handel as his composer-in-residence. His choices of accommodations in Bath, however, were few, and he was forced to stay in what he called “old rotten lodgings.” The Duke resolved to do something about it, and to make some money at the same time. Purchasing a property with a view toward its renovation and expansion into a forty-room lodging house, he selected John Wood as his contractor.

Wood, a 22-year-old with limited experience in

the fledgling real estate development business in London, had returned to his native Bath because of the opportunities for development. Within a short time, he presented an audacious plan for a development project to the city council. It was summarily rejected. Thus, Chandos' project provided stopgap employment for Wood while he waited for the opportunity to implement his grand vision.

The Duke had previous experience in building and kept a sharp eye on his project, hiring a lawyer and an architect to monitor the work. This caution proved to be warranted. Wood submitted inadequate plans, did not complete the work

on time, exceeded budget, did low-quality construction, and delayed payments to sub-contractors—the very model of a 1960s developer. Chandos wrote a series of scathing letters to Wood, and if it were not for the intercession of one of his agents, Wood could have been fired. However, Wood, a fast study, earned many lessons from this entrepreneurial venture. Perhaps that's why he later specialized in development and avoided contracting. Chandos' project also taught Wood about the importance of market demand, the acquisition and control of land, and sources of financing.

#### ORCHESTRATING DEVELOPMENT

Having been rejected by the Bath city council, Wood found a site just outside of the city limits where he would be unencumbered by regulations. He leased the land from a wealthy landowner for 99 years. The landowner, concerned about Wood's inexperience, leased the land in phases, each lease predicated on the successful performance of the previous phase. Since demand for housing was high, more than half of the lots were leased before construction began, and the project was completed in seven years.

Queen's Square, like Wood's later projects, was an ensemble: twenty-seven sites

for attached houses surrounding a landscaped square. His design called for unbroken and modest façades on three sides, and a richly articulated single façade, simulating a great "palace" on the fourth. The center bays, capped by a triangular pediment, and the bays at either end each incorporate semi-detached columns, sit above a rusticated ground floor.

Wood's design strategy was to control the public façade of the buildings, while allowing the houses themselves to vary considerably in the rear. In Queen's Square, the houses behind the uniform façades varied in width, depth, and plan. Bath's contractors had the capacity to construct only a few houses at a time, requiring Wood to use several different builders, who in turn worked with individual clients. The result was attached houses constructed by many small builders, for a variety of clients, using an assortment of plans, yet all unified by Wood's elegant façade.

The façade's design finessed sensibility, fashion, and cost. Wood required a material that was prestigious, but could be fabricated and constructed by small contractors. Bath stone, a golden-hued limestone that was easily cut and relatively inexpensive, was available nearby. In terms of design, he wanted a repetitive, simple façade. The fashionable architectural style was Palladianism, which was simple, with little ornament, and without expensive

articulation; it perfect for his real estate development. As Bath's new waves of visitors grew wealthier and more prestigious, Wood's façades became richer, but were always articulated with a developer's eye so that much of the surface remained plain, simple, and standardized.

Once a land lease was acquired, plans were completed, and builders contracted for subleases, the Woods were able to obtain financing from a large and informal network of wealthy investors. The process was facilitated by local intermediaries, often attorneys, who were the equivalent of today's mortgage bankers. Builders, usually craftsman, obtained their financing by receiving lease commitments from clients, based on the size of the house. This financing was also provided by individual investors acting through intermediaries.

Wood designed the circular King's Circus in the late 1740s, perhaps inspired by his interest in Stonehenge. Using repeated stacked Classical orders, the thirty-three houses were designed for wealthier clients than those of Queen's Square. The center, originally entirely paved, was later made into a park. Wood lived to see the cornerstone laid, but his son, John Wood the Younger, carried out the construction.

As the Circus was being completed, John Wood the Younger created the most moving and spectacular space in Bath, and one of the great urban places of the world. Built between 1767 and 1774, the Royal

Crescent consists of thirty three row houses with service basements, and attic servants' quarters, arranged in a flat arc more than 500 feet across, overlooking the city and the Avon Valley. The land below was open in perpetuity to provide a view corridor, since the contract prevented the owner of the area south of the Crescent, from growing trees more than eight feet high and from erecting any building. The façade was punctuated by twenty-foot columns on a simple and solid ground-floor base, capped by a balustrade. The plots in this project were of equal width, except for the center and end units, and the houses were constructed by different contractors for different clients. They ranged from custom homes to speculative houses for rent, but all shared Wood's monumental façade.

The Woods also developed the streets connecting Queen's Square to King's Circus, and the Circus to the Royal Crescent. The streets housed less prestigious homes, with more modest façades. The developers maintained the streets and open spaces as part of their role as holders of the master leases.

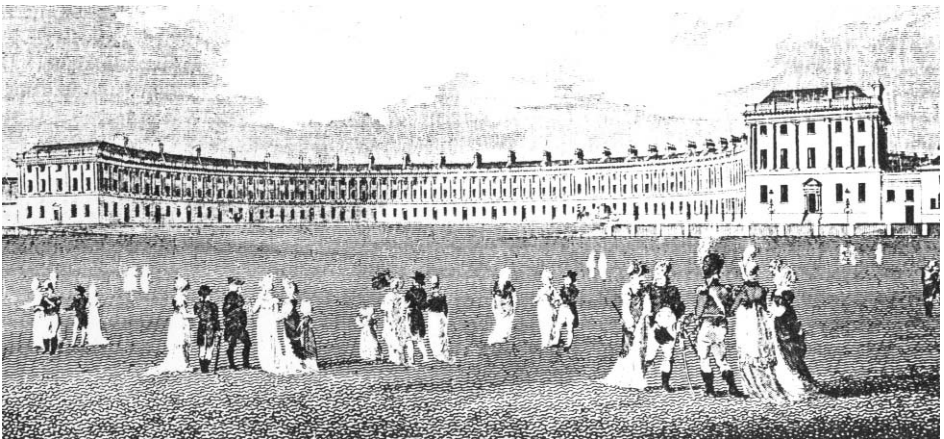
#### AN EXEMPLAR OF DESIGN AND DEVELOPMENT

In 1765, 148 members of royalty, an archbishop, five bishops, numerous personages of letters and science, and thousands of vis-

itors of the wealthy and professional classes visited Bath; by the turn of the nineteenth century 40,000 people visited Bath each year. The elegant streets, urban places, civic buildings and entertainment venues were settings for the social and public promenades of the privileged visitors who came to see and to be seen. In the mornings after taking the baths or drinking the spring waters at the Pump House, the ladies went shopping while the gentlemen retired to the coffee shops, went to concerts and lectures, or played billiards in the assembly rooms. In the afternoons they promenaded through the public spaces by coach, on horseback, or on foot. In the evenings there were balls and parties. More than 120 licensed saloons rounded out the diversions available to visitors although Bath was small compared to London it had grown to be one of the dozen largest

cities in England. New spa towns such as Cheltenham, Leamington Spa, St. Leonards-on-Sea, and Eastbourne all successfully imitated the Bath model.

The growing professional and upper-middle classes, having seen the Wood projects at Bath, wanted something similar in the cities where they lived. The cachet, form, and name of the Royal Crescent was used in Brighton, Cheltenham, Ramsgate, Harrogate, and more than twenty other cities in England and Scotland. By 1800 crescents became ubiquitous; most towns of any size could boast at least one, including no fewer than three crescents in Bath itself. London developers used these forms extensively. Bayswater, developed north of Regent's Park, contains Sussex Square, Norfolk Crescent, Oxford Square, Belgrave Square, Finsbury Circus, Thornhill Crescent, and Thornhill Square.



Contemporary illustration of the Royal Crescent.

By 1700, the unified row of attached houses, or terrace, was England's stereotypical form of urban housing. The Woods' contributions to this form include their use of a uniform façade behind which each owner could have a custom home, as well as their popularization of a palatial architectural style. They also influenced the scale of future developments. London was the only large city in Britain at the beginning of the seventeenth century and, except for the occasional aristocratic square, the typical production of housing in London was by small business enterprises. The Woods showed how this could change. Real estate development accelerated by the end of the eighteenth century. During the nineteenth century it further flourished, and almost all development was built speculatively by private developers and landowners. The scope, scale, quality, and success of the Woods developments helped change the standards of the industry.

That exemplars such as the projects at Bath can have such a pervasive and enduring effect on both design and real estate development argues for a *laissez-faire* approach to urban planning that enables innovation. The more exemplars that exist, the more we are free to choose which to follow.