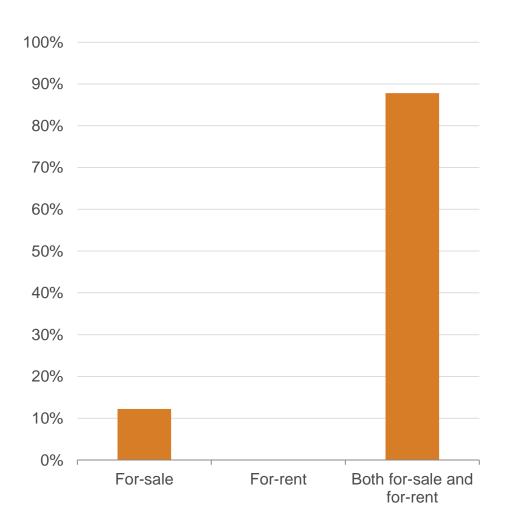
CREATING THE CONTEXT FOR ATTAINABLE HOME BUILDING: COMMUNITY DEVELOPER PERSPECTIVE



Terwilliger Center for Housing

RCLCC REAL ESTATE ADVISORS

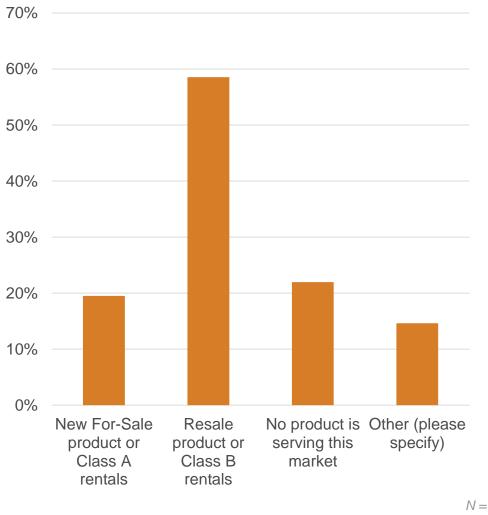
ULI MEMBERS DEFINE ATTAINABLE HOUSING BROADLY; WE ARE FOCUSED ON NEW FOR-SALE



REAL ESTATE ADVISORS

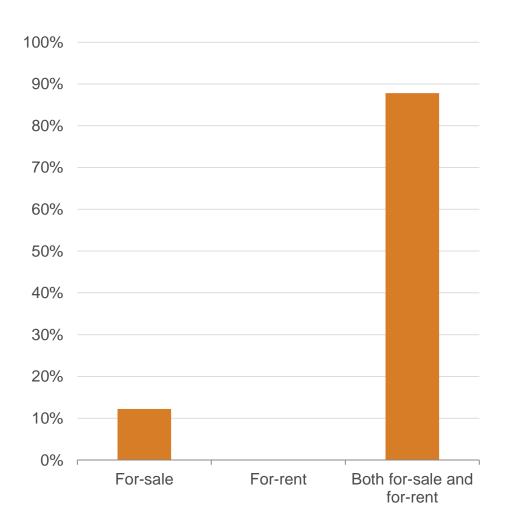
Defining Attainable Housing Product Type





Source: ULI

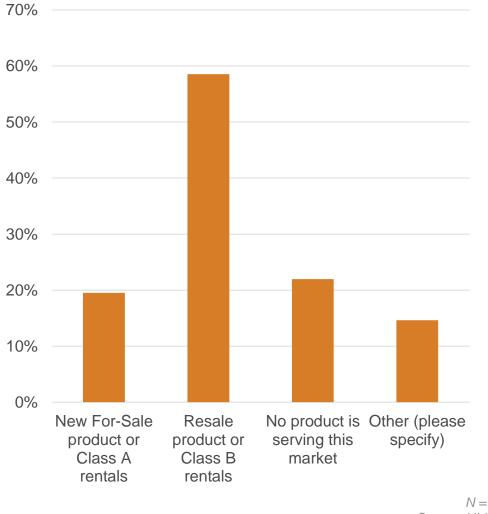
ULI MEMBERS DEFINE ATTAINABLE HOUSING BROADLY; WE ARE FOCUSED ON NEW FOR-SALE



REAL ESTATE ADVISORS

Defining Attainable Housing Product Type

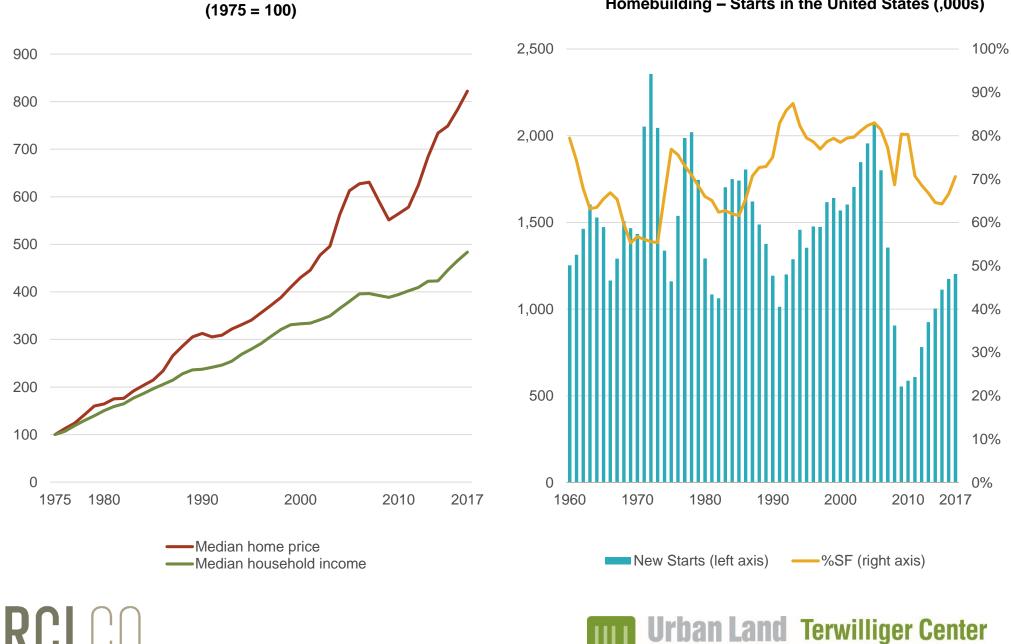




Source: ULI

WHAT'S HAPPENED TO HOUSING?

Median Home Price and Median Household Income



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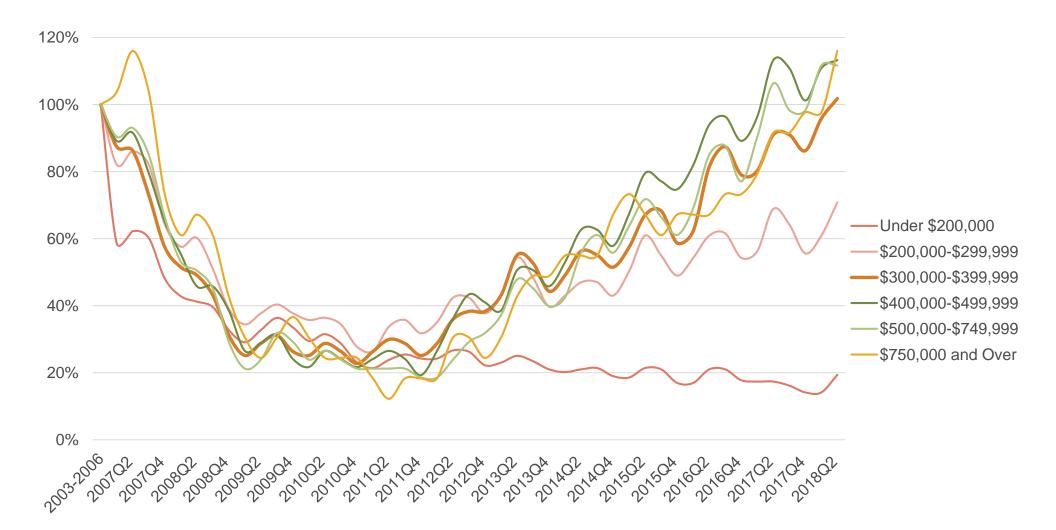
Homebuilding – Starts in the United States (,000s)

for Housing

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THE PROBLEM IN ONE SLIDE...

New Home Sales by Price Band Relative to Pre-Recession Levels (2003-2006 Average = 100%, United States)

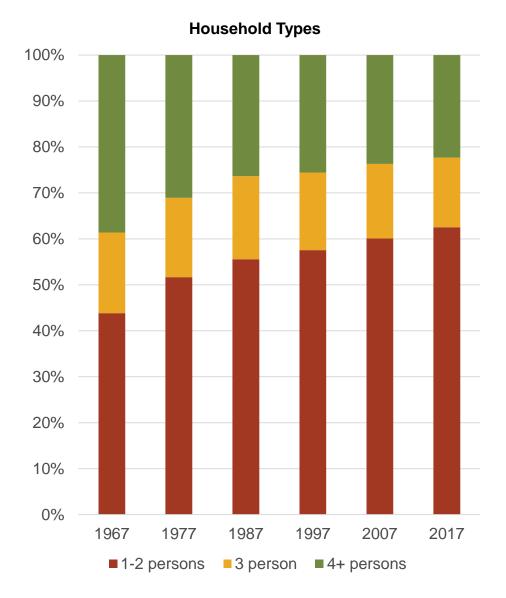




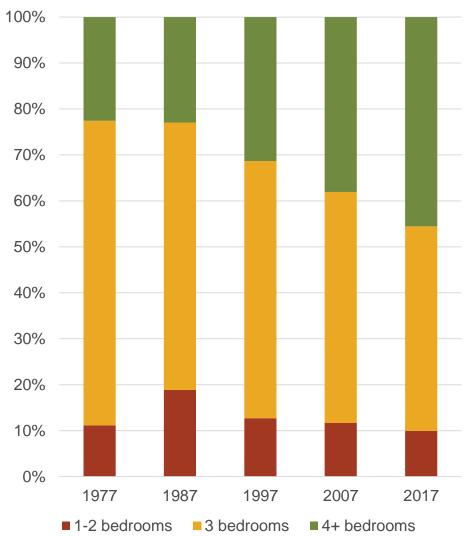
Note: Prices not adjusted for inflation; Source: U.S. Census Bureau



HOUSEHOLD SIZES DECLINE... BEDROOM COUNT GROWS



REAL ESTATE ADVISORS



New Construction By Bedroom Count

Sources: U.S. Census; RCLCO

Urban Land Terwilliger Center for Housing

WHAT HAPPENED TO THE SHRINKING FOOTPRINT?

100% 18% 90% 16% 80% 14% 70% Distribution of New Homes by Size 12% 😪 of Homes Under 1,400 SF 60% 10% 50% 8% 40% 6% 30% 4% 20% 2% 10% 0% 0% 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 1,800 to 2,399 2,400 to 2,999 Percent of Homes Under 1,400 SF 1,400 to 1,799 3,000 or more Under 1,400

Average Size of New For-Sale Homes Delivered 1999-2017, United States

Sources: U.S. Census; RCLCOI

Urban Land Terwilliger Center

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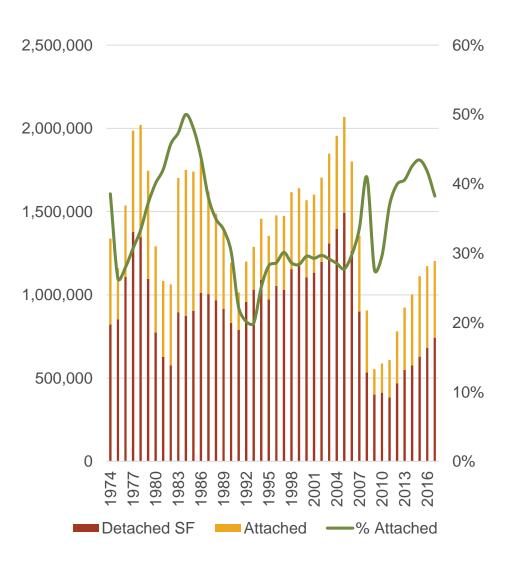
for Housing



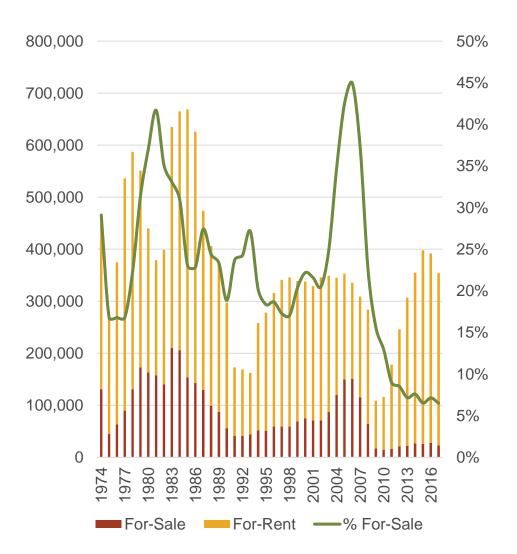
THE STRANGE DISAPPEARANCE OF MEDIUM DENSITY **FOR-SALE**

MF Permits as % of Total Permits





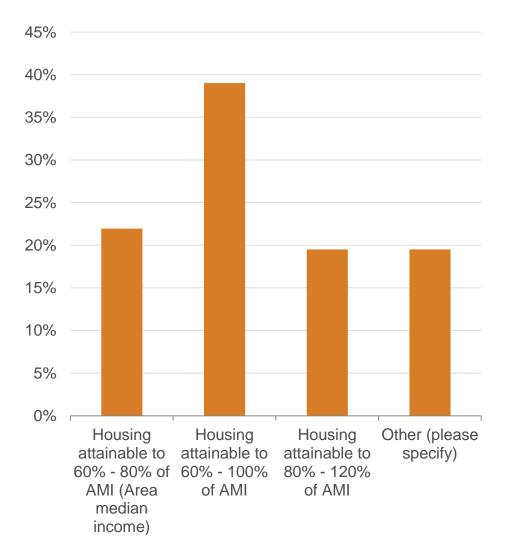
REAL ESTATE ADVISORS



NOTE: Incomes are represented in 2017 dollars; Sources: U.S. Census; RCLCOI

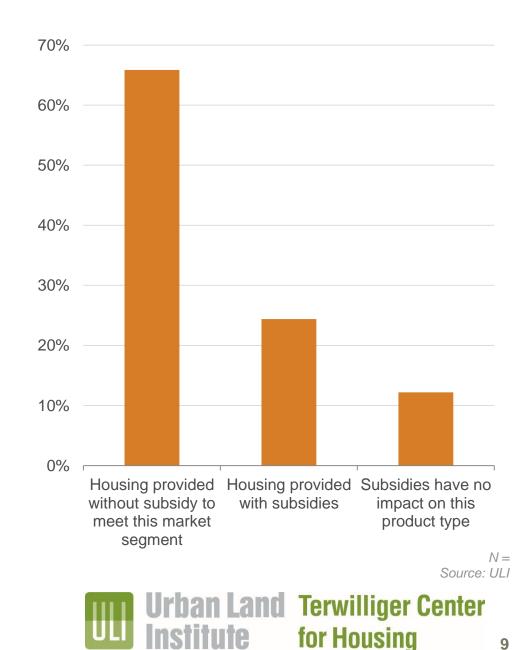
Urban Land Terwilliger Center for Housing 8

ULI MEMBERS DEFINE ATTAINABLE: 80% - 120% OF AMI



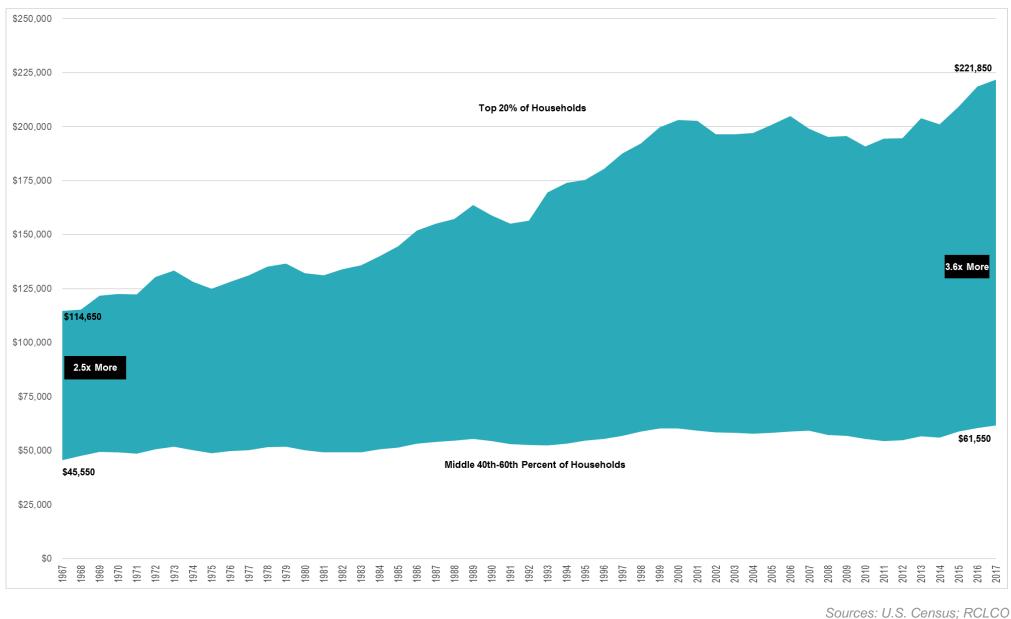
Members Definition -- Income Definition

Members Definition Attainable = No Subsidies





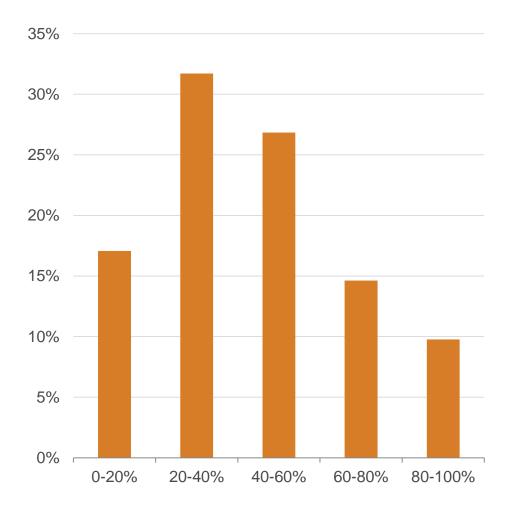
UNEVEN INCOME GROWTH



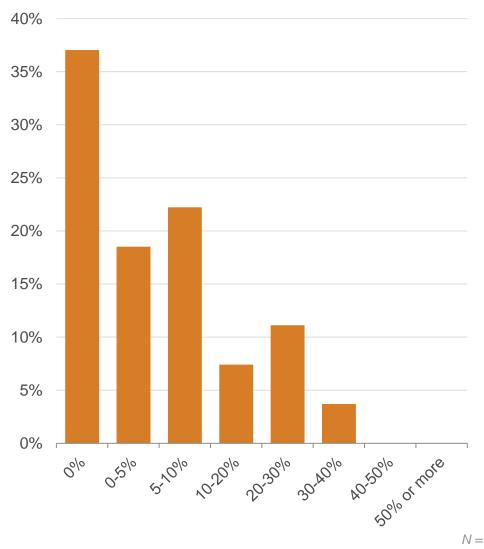
RCLCO REAL ESTATE ADVISORS Sources. 0.5. Census, RCLCC

ATTAINABLE HOUSING MARKET SHARE

What Share of the Total Demand for Housing is in the "Attainable Band" (80% to 120%)



Share Of Attainable Housing That Member Respondents are Delivering in the "Attainable Band"



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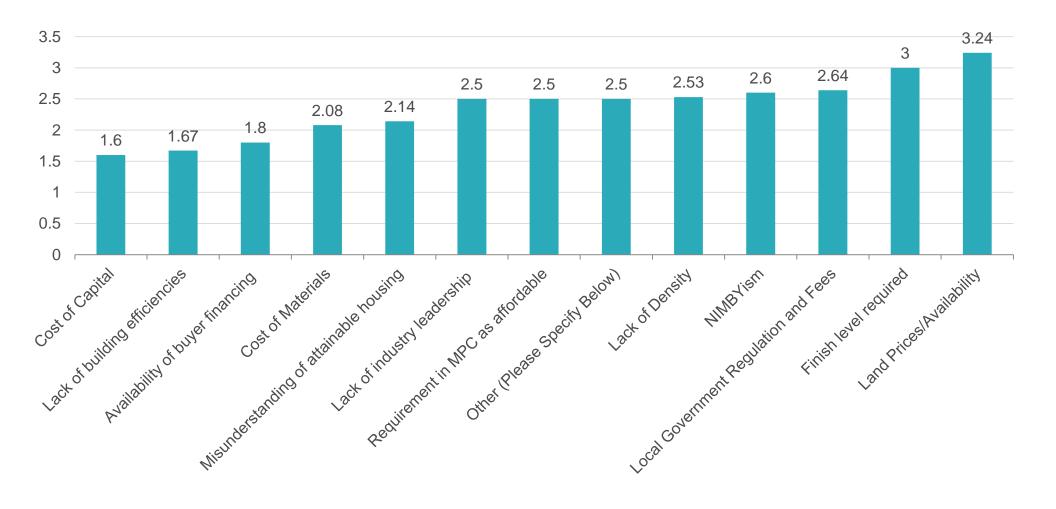
for Housing

Source: ULI



CHALLENGES TO DELIVERING ATTAINABLE HOUSING

Challenges To Delivering Attainable Housing

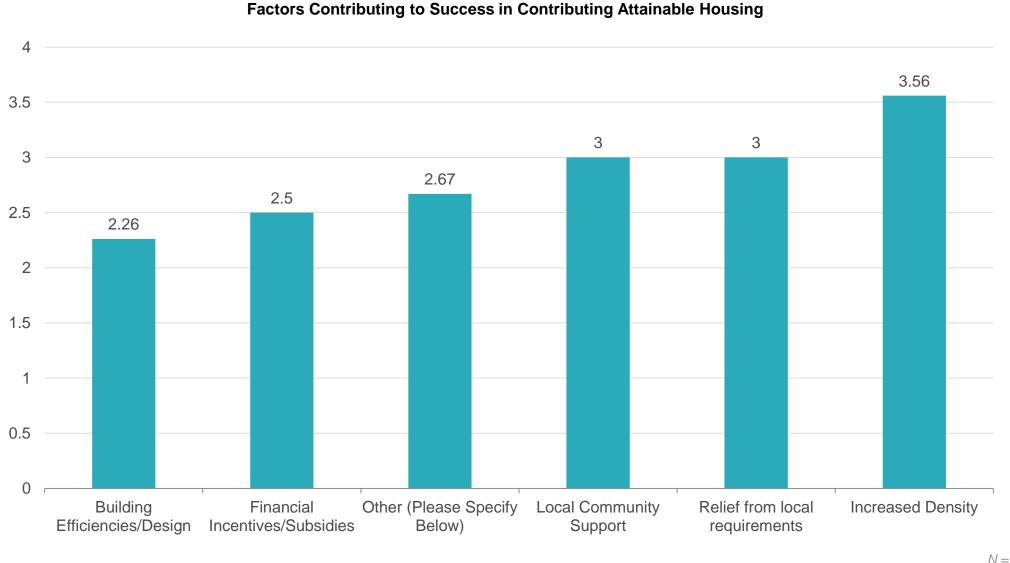






N = Source: ULI

SUCCESS FACTORS IN DELIVERING ATTAINABLE HOUSING



Source: ULI

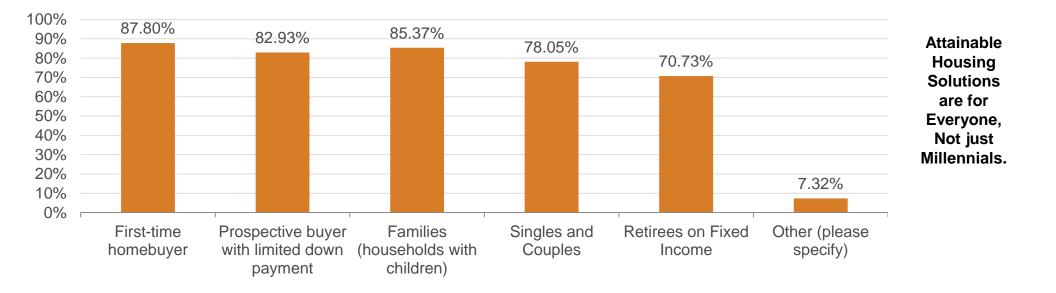
Urban Land Terwilliger Center

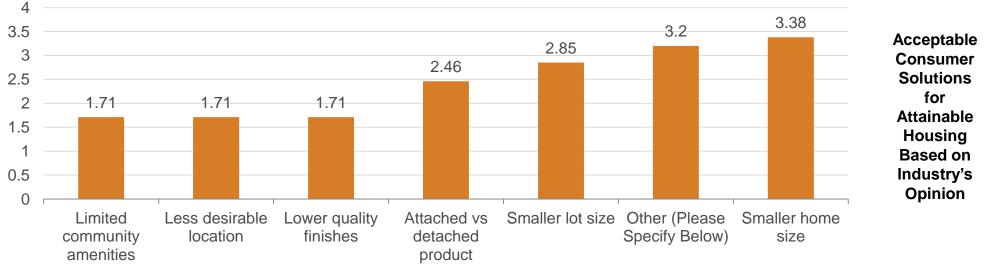
for Housing

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ATTAINABLE HOUSING SOLUTIONS: WHO AND HOW





N = Source: ULI



CONSUMER PREFERENCE FOR LOCATION AND AMENITIES

Suburban area with a mix of 0% 25% 50% 75% 100% houses, shops, and businesses Fitness centers Gated entry Suburban area with mostly residential uses Trails Package receiving City near a mix of offices, Resort pool (lounge) apartments, and shops Art and culture, such as. Farmers market City in a mostly residential neighborhood Dog park Sports courts Rural area **Pocket Parks** Virtual services, such as. Lap pool Small town Children's pool Maker spaces, providing. Resort area Community garden Golf \$100K+ 0% 5% 10% 15% 20% 25% 30% 35% Very important Somewhat important Not important ■\$50-\$100k N =Source: ULI

RCLCO's National Consumer Preference Survey



HOMEBUILDING LANDSCAPE: STRATEGIES AND **OBSERVATIONS**

What builders are doing (Strategies):

- 1. Small Homes (Reducing Footage)
- 2. High Density Detached (Cluster);
- 3. Missing Middle (Attached);
- 4. Value Housing (Brand Segment).

What the committed are finding (Results)

- Similar margins and greater price elasticity 1.
- Segmentation beyond density, size and price (space choices, finishes, exterior elevations, and 2. aesthetics)
- 3. Design within, between and around homes (walkability and gathering spaces)
- What builders are doing (Strategies): 4.
- Lifestyle choice messaging: communicating the trade-offs (walkability, low maintenance, financial 5. flexibility)
- Attainable orientation as an entitlement strategy: incomes mix easily 6.





BUILDER STRATEGIES -- SMALL HOMES

Characteristics		
Definition	Less than 1,400 SF (Tier 1) Less than 1,800 SF (Tier 2)	
Unit Type	1-3 BD, 1-2BA	
Unit Size	700 – 1,400 SF	
Density	8-20 du/ac	
Land Plan	All Most effective with Density	



Boulder Creek Neighborhoods Wee-Cottages; Stapleton, CO



The Cottage Company Danielson Grove; Kirkland, WA



New Home Company Azure at Escencia; Mission Viejo, CA



Image source: Community websites



BUILDER STRATEGIES – VALUE HOMES

Characteristics		
Definition	Streamlined structural and interior finish options	
Unit Type	All	
Unit Size	All	
Density	All	
Landplan	All	



Fresh Paint by Garman Homes Briar Chapel; Chapel Hill, NC



DR Horton Express Windermere Townhomes; Shakopee, MN



LGI Mirror Lake; Lehigh Acres, FL



Image source: Community websites



BUILDER STRATEGIES – MISSING MIDDLE

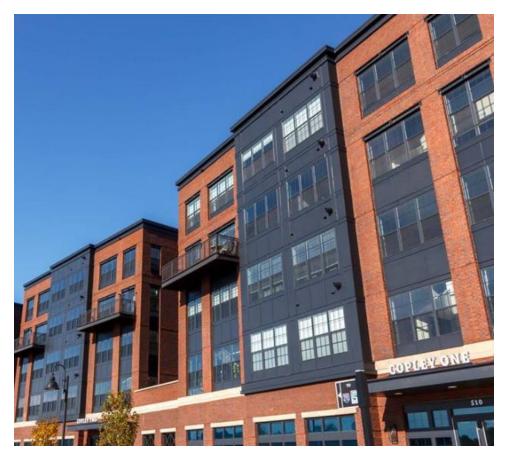
CHARACTERISTICS		
Definition	Defined by Opticos Architects as typologies	
	between detached hand mid-rise buildings	
Density	12-20 du/ac	
Unit Type	1-3 BD, 1-2BA	
	One-Two-three story	
Unit Size	700 – 1,900 SF	
Landplan	Duplex to Multi-Plex (Stacked, Side/Side), Row	
Options	Townhome,, Bungalow Cluster, Combos	



Holmes Homes Mews Collection; South Jordan, UT



Onyx East Switchyard at Onyx; Indianapolis, IN



Michael Harris Homes The Copley at Crown; Gaithersburg, MD



Image source: Community websites



BUILDER STRATEGIES - CLUSTER

CHARACTERISTICS		
Location	Suburban, Rural	
Unit Type	1-3 BD, 1-2BA	
	Two-story	
Unit Size	700 – 1,500 SF	
Lot Dimensions	Typical 6-Court Modules: 125' x 150'	
Lot Size	2,500 (50 x 50)	
Density	8-20 du/ac	
Landplan	Green Court	
	Motor Court	
	Alley Load	



Lennar Olive Grove; Chino, CA



Lennar Autumn Field; Chino, CA



Bela Flor Communities Bella Rosa; Mesa, AZ



Image source: Community websites



RANCHO MISSION VIEJO - DENSITY



- 5 Product Types
 - Condominiums
 - Townhomes
 - Duplexes
 - High-Density Detached
- o 23.9 Acres
- o 535 Units
- 22.38 Averge
 Density
- 740 s.f. 1,760 s.f.





RANCHO MISSION VIEJO -ARCHITECTURAL APPROACH



PLAN 2 | SPANISH

PLAN 3 | FARMHOUSE

- High-Density
 Detached
- o 16.4 du/ac
- 876 1,195 SF

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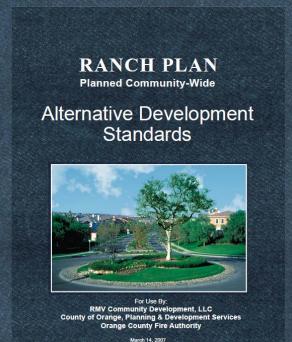


PLAN 1 | RANCH CONTEMPORARY

AN 3 | PRAIRIE

RANCHO MISSION VIEJO - ADS ALTERNATIVE DEVELOPMENT STANDARDS

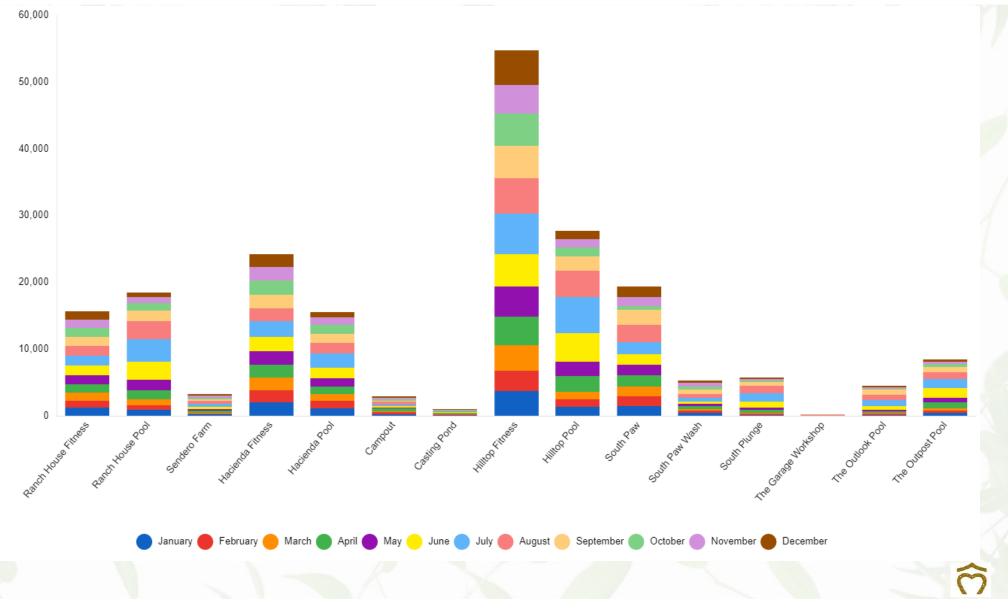
- Modify planning criteria to increase densities 0
- 2 year process Ο
- **Revised ADS include:** 0
 - Relaxed parking standards in 55+ neighborhoods •
 - In MR neighborhoods increase guest parking from 200' to 300' for 75% of the units
 - Planned Concept products (SFD Densities >8 du/ac) decrease building separations to 6' on zero lot line
 - Useable private open space for decks, roof decks and balconies up to 75 S.F.







AMENITY SWIPES DATA



REAL ESTATE ADVISORS

Urban Land Terwilliger Center for Housing Ite

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