



It is almost impossible for the private sector to create new affordable housing but...this Richmond team is doing just that.

Center Creek Homes' new 20 & R development is a case study in efficient land use and a prototype of how Richmond can tackle housing affordability head-on.



Richmond, VA October 13th. – Center Creek Homes is about to break ground on five new homes in the Fairmount neighborhood that will all be priced below \$250,000, well under the median sales price for a newly constructed single-family home in Richmond.

20 & R was born out of Center Creek's desire to utilize vacant land in a manner that would result in a financially viable development, while increasing the number of new housing units in the neighborhood and driving down the sales prices on each new house to improve affordability for the

community. The underlying zoning for the site allowed for two single family homes. Given the land cost and need to invest tens of thousands of dollars for utility connections, a successful development would have required these two homes to be priced in the mid-to-high \$300,000 range.

Instead, due to its commitment to finding better living solutions for the community, Center Creek Homes decided to rethink what was possible for the site. This process included significant input from local Realtor and neighborhood resident, Dave Seibert, feedback from the New Visions Civic League, thoughtful advice from local Councilwoman Cynthia Newbille, a Special Use Permit (SUP) from the City, and Center Creek's thorough assessment of local housing needs. Center Creek Homes crafted a plan to build five houses on the site, maximizing land use efficiency to create spacious living environments and complementing the neighborhood aesthetic. Increased density combined with construction efficiency enabled Center Creek to reduce the planned sales price for the five houses by over \$100,000 each.

This decision did not come without costs – Center Creek Homes could have built the two-unit development “by right” and begun construction immediately after acquiring the land in September of 2019, completing the homes and likely closing on their sale this past summer. Instead, the Center Creek team devoted 10 months to engaging the community and pursuing a Special Use Permit to build five units. Final approval was obtained in February of 2020, followed by several more months navigating the subdivision process to create the new single-family lots, with construction finally about to begin.

Inspired by a conversation with Councilwoman Newbille, Center Creek Homes looked for ways to make one of the 20 & R houses even more deeply affordable, enhancing the firm's vision of thoughtful development that provides opportunities for lower-income families to benefit from new investment in Richmond's close-in neighborhoods. Center Creek Homes applied for and was approved by the City of Richmond's Department of Housing and Community Development (DHCD) and City Council for funds to reduce the sales price of one of the houses to approximately \$180,000 for an income-qualified family.

“20 & R demonstrates Center Creek Homes' commitment to using efficient land use and design to make great homes that are naturally affordable,” said Dan Magder, CEO of Center Creek Homes. “Working with DHCD is a great example of a public-private partnership to produce deeply affordable housing that will be seamlessly integrated with the overall neighborhood and serve Richmond residents at a wide-range of income levels.”

“We are excited about working with the City of Richmond to create additional mixed-income housing that includes affordable units. The most effective way for the City to encourage further development of affordable housing would be creating a land use and permitting fast-track review process for residential projects that meet affordability targets. Such a program could shave 6-12 months off projects like 20&R, with minimal cost to the City,” said Greg Shron, EVP and Chief Operating Officer of Center Creek Homes.

Elihu Rubin, Associate Professor of Urbanism at the Yale School of Architecture and member of the Center Creek Homes Community Development Advisory Board added that “Center Creek's model of homebuilding, focusing on well-built small houses and creative land use, is exactly what we need to do to bring affordable homes for owner-occupants to our cities.”

Center Creek Homes looks forward to building on the 20 & R experience and deepening ties with a

growing number of Richmond neighborhoods. By nurturing these relationships and working with local community development corporations, the Center Creek team hopes to expand on this model of affordability with larger-scale projects that tie efficient land use with federal and local subsidy to fulfill more of Center Creek Home's mission: homes people love in areas where people love to be.

About Center Creek Homes

Center Creek Homes is committed to delivering homes that people love in places people love to be. Building off a series of investments in the Richmond market dating back to 2014, Center Creek Homes officially launched in late 2018. The company is the product of the collaboration between two seasoned industry professionals, each brings over 20 years of experience, representing thousands of homes, to the Center Creek family. Center Creek Homes believes in fostering lasting relationships and leaving a positive footprint on the urban fabric and neighborhoods of the Richmond area. For more information, please visit www.centercreekhomes.com.

Center Creek Homes is part of Center Creek Capital Group, which also manages the Center Creek Housing Funds, a series of investment funds focused on affordable single-family rental housing. For more information, go to www.centercreekcapital.com.

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