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low-rise finds its place

Low-rise buildings are filling a niche for apartment living, with many, such as DuCharme Place, in Detroit, bringing new life to older parts of town. These locations are a boon, too, for builders looking to amortize costs by tapping existing community amenities.

NEW MULTIFAMILY PRODUCT IN CITIES
AND MASTER PLANNED COMMUNITIES GETS
CREATIVE TO MAXIMIZE ITS POTENTIAL

BY STACEY FREED

Earlier this year, Multifamily Design-Construction, a sister publication of Professional Builder, published its Multifamily Amenities 2017 study. Not surprisingly, with the continued demand for apartment living, the report found that there's an amenities race in the multifamily construction sector. The top four things prospective residents want are storage (for bicycles, gear, etc.); spaces and finishes related to fitness and healthy living; smart technology and fast, free Wi-Fi; and facilities for their dogs. They also want proximity to entertainment venues, trails for cycling and hiking, transit lines, and community areas.

That's a tall order for any multifamily building, but it's an especially difficult target for low-rise structures with no more than three stories of residential space. As Ken Campbell, VP of Core Development, in Nashville, Tenn., says, it's sometimes difficult for those building low-rise to spend money on the larger construction amenities, and they often don't have the people power to manage high-maintenance amenities such as pools. "We rely on the existing urban context for amenities—bars, restaurants, entertainment venues, a grocery and deli," Campbell says of his company's Six10 Merritt project in downtown Nashville.

Low-rise builders and developers are looking for ways to maximize their investments with a variety of approaches. Location, as Campbell notes, is one, and that includes urban infill and suburban communities. Innovative construction practices is another. Building with paneled construction, as the architects at McIntosh Paris Associates, based in Birmingham, Mich., and Detroit, did on DuCharme Place in downtown Detroit, or using modular, as Core is doing with another of its Nashville projects, the Alley, which is still in progress. "I'm looking for ways to get a project completed and sold faster, which can help me maintain quality and avoid labor shortages," Campbell says. Developers are building on land in tired areas of town that need revitalizing. And they're dealing with energy efficiency and affordable housing regulations.

Many developers say they work with the same few builders. "It's tough to find quality commercial contractors that can find the efficiencies in doing a smaller multifamily project," Campbell says.

In Detroit, there's a need for "micro developers" that take on just a few lots—of which there are plenty—and build a higher-density project than a single-family house," says Michael Peris, president of McIntosh Paris Associates. He adds that low-rise

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Six10 Merritt, in Nashville, Tenn., is a sub-condo within The Finery master condominium, which will continue to be developed over several years. The townhomes and flats are helping to revitalize a former industrial area and alleviate the city's housing shortage.

projects such as townhomes or stacked units that can be stick-built, have access to the outside for individual units, and that don't have elevators or other features that drive up costs are a good place for a single-family home builder that wants to get into multifamily.

SIX10 MERRITT, NASHVILLE, TENN.

"Nashville is one of a handful of 'it' cities like Austin, Texas. We're experiencing tremendous growth here," says Campbell, whose company Core Development, grew out of the brokerage Village Real Estate and focuses on urban infill projects. "Our development is one aspect of what feeds the real estate company."

Designed by local architectural firm Smith Gee Studio and built by Nashville-based Carter Group, Six10 Merritt is one of several new Core projects helping to revitalize a former

industrial area close to downtown Nashville—each within the "460 loop," where three major interstate highways meet.

"There's a tremendous maker culture in the area," Campbell says. "A lot of folks have home businesses—from building musical instruments to rebuilding motorcycles to baking and other small-scale entrepreneurial concerns." To that end, the concept for Six10 was to retain the culture of the neighborhood and allow for live/work units.

Three buildings form a U shape around a parking area. There are 14 two-bedroom townhomes with pull-in garages on the first level facing an alley. Street-side there is room for a commercial space, with the main living area on the second floor and bedrooms on the third. "They resemble townhomes, but they fit under the IBC for multifamily residences," Campbell says. The property also offers one-bedroom flats.



PHOTO: MICK HENNING, JR./MCKENNA PHOTOGRAPHY



Mostly Millennials and young professionals are renting at Detroit's newly built DuCharme Place, which offers studios and two-bedroom apartments featuring interiors that are a step up from builder grade. The development, which was built using panelized construction, boasts the city's largest green roof on a residential building.

As in many other cities, the townhouse condos were snapped up, at prices ranging from \$399,000 to \$460,000, by young professionals and empty nesters. Flats went for \$150,000 to \$170,000. Sales began in 2015, and the complex sold out early last year.

DUCHARME PLACE, DETROIT

Post-recession, multifamily has come back to Detroit "in a way this city hasn't seen in a long time," Poris says.

There has been a lot of adaptive reuse in the city, but DuCharme Place is a completely new build, adjacent to the nationally recognized historic district that includes Ludwig Mies van der Rohe-designed buildings and Lafayette Park. "DuCharme is one of the first projects built in this area in at least 40 years," Poris says. "It's kind of a big deal."

The 185-unit luxury rental apartments are divided among four buildings. These surround three central courtyard terraces

built on platforms, under which parking, bike storage, and the trash area are located at grade level. All apartments, which are one- and two-bedrooms and range from 500 to 1,100 square feet, have access to the terraces, where amenities include a large green space, walkways, a barbecue area, pool, exercise and fitness room, Zen garden, and "the largest residential live roof in the city," Poris says. Most renters are Millennials and young professionals. The interiors are a step up from builder grade, and each unit has its own washer and dryer.

DuCharme was built using panelized construction. The factory-made walls include sheathing with exterior insulation and a vapor barrier. "We chose panels to save on labor costs," Poris says, since this was a HUD project and required prevailing wages. While Poris feels that "it's absurd that we're still building the way we do, with labor costs the way they are," he acknowledges that panelizing isn't the answer for every project. "Stick frame may require more labor, but it's sometimes