

From the Memphis Business Journal:

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Construction to begin on homes at McKinley Park that will list for \$95,000 to \$120,000

Premium content from Memphis Business Journal - by Christopher Sheffield

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After a couple of years of delays, the developers of University Place and Legends Park are ready to break ground on 30 single-family residential lots in the new McKinley Park subdivision near Downtown Memphis.

Two model homes were finished in January by builder Populace Homes using designs by [Self Tucker Architects](#), says Community Capital LLC president **Archie Willis III**.

Memphis-based Community Capital is the co-developer of the project along with St. Louis-based development and property management firm McCormack Baron Salazar.

Cost to develop the roughly 8 acres, including site work, installing utilities, curbs and gutters and other public improvements, was \$1.33 million, Willis says. The development is largely funded through federal grants, he says.

Developers say the project represents the first new single-family homes built in the area in years and could signal pent-up demand for affordable housing in the city's core, depending on how quickly they sell.

Homes in McKinley Park will list for \$95,000, \$115,000 and \$120,000. Models include two three-bedroom, two-bath options and two four-bedroom, 2 1/2-bath designs. Homes will range from 1,400 to 2,240 square feet.

Average construction cost is \$140,000 to \$160,000, but the Memphis division of Housing and Community Development, though federal grants, is defraying construction costs by \$50,000 to \$70,000 per home, Willis says.

"That's why they're at those prices," he says. Plus, the land was owned by the city, so land costs were not a factor, he says. The city is also providing \$10,000 in down payment assistance for qualified buyers.

The homes will be marketed to the low- to moderate-income homebuyer with an emphasis on those who have lived in public housing, Willis says.

The residential units are the HUD-required home ownership component for University Place, a \$68 million apartment project nearby at

Interstate 240 and Lamar Avenue. That project includes 118 senior housing units and 151 multifamily housing units.

Robert Lipscomb, director of Housing and Community Development, says HCD and Memphis Housing Authority, along with private developers and nonprofits, have completed a number of projects like McKinley Park that have included both rental and home ownership. Others include College Park and Uptown.

“We would always like to see more, but the challenges are always affordability, cost and funding,” Lipscomb says.

Charlestine Mitchell, an agent with [Lawrence Johnson Realtors](#) Inc., says now that the model homes have been built and there are signs of life at the project, she’s hopeful interest will pick up.

An open house last weekend drew a number of attendees, she said.

“And they were excited,” she says. “If we can get them excited then we can get buyers excited.”

The last new homes built in the area were in the College Park development near [LeMoyne-Owen College](#) nearly a decade ago. Mitchell also handled sales of those 40 homes that listed for \$50,000 to \$75,000.

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