

How To Get A Group Started

Find A Site, and Fund The Project



CLASS 4 • Cohousing Institute Online Course
Jumpstart Your Cohousing Community

STUDIO
co+hab

AGENDA

01

CRITICAL PATH

Barriers to success and Gantt chart

02

PROJECT STAGES AND TIMELINE

Key work flows and consultants timeline

10 min. Break

03

LEGAL STRUCTURE

Overview of the legal structures

04

FINANCING

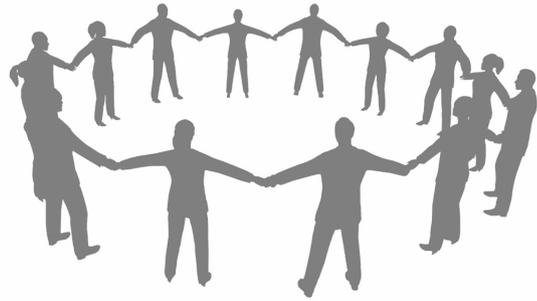
Creating a budget

01

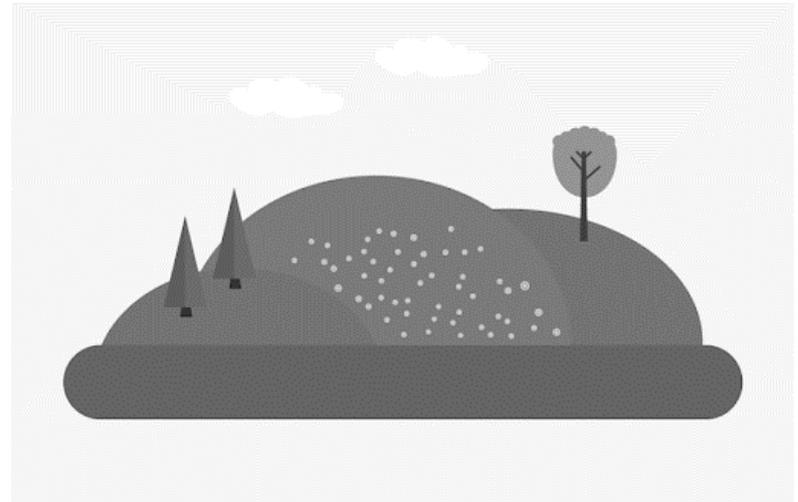
CRITICAL PATH

Barriers to success and Gantt chart

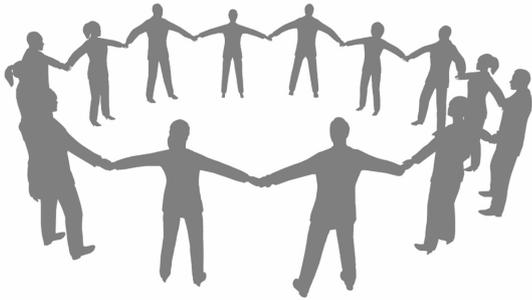
BARRIERS TO SUCCESS



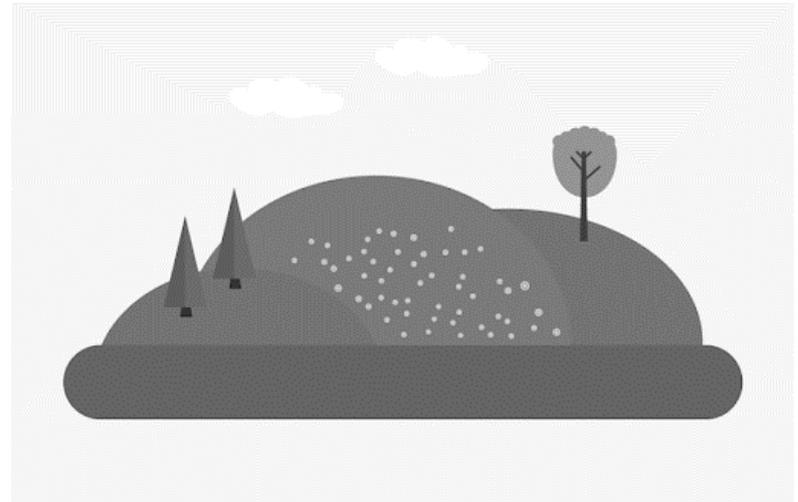
PEOPLE



LAND



PEOPLE



LAND

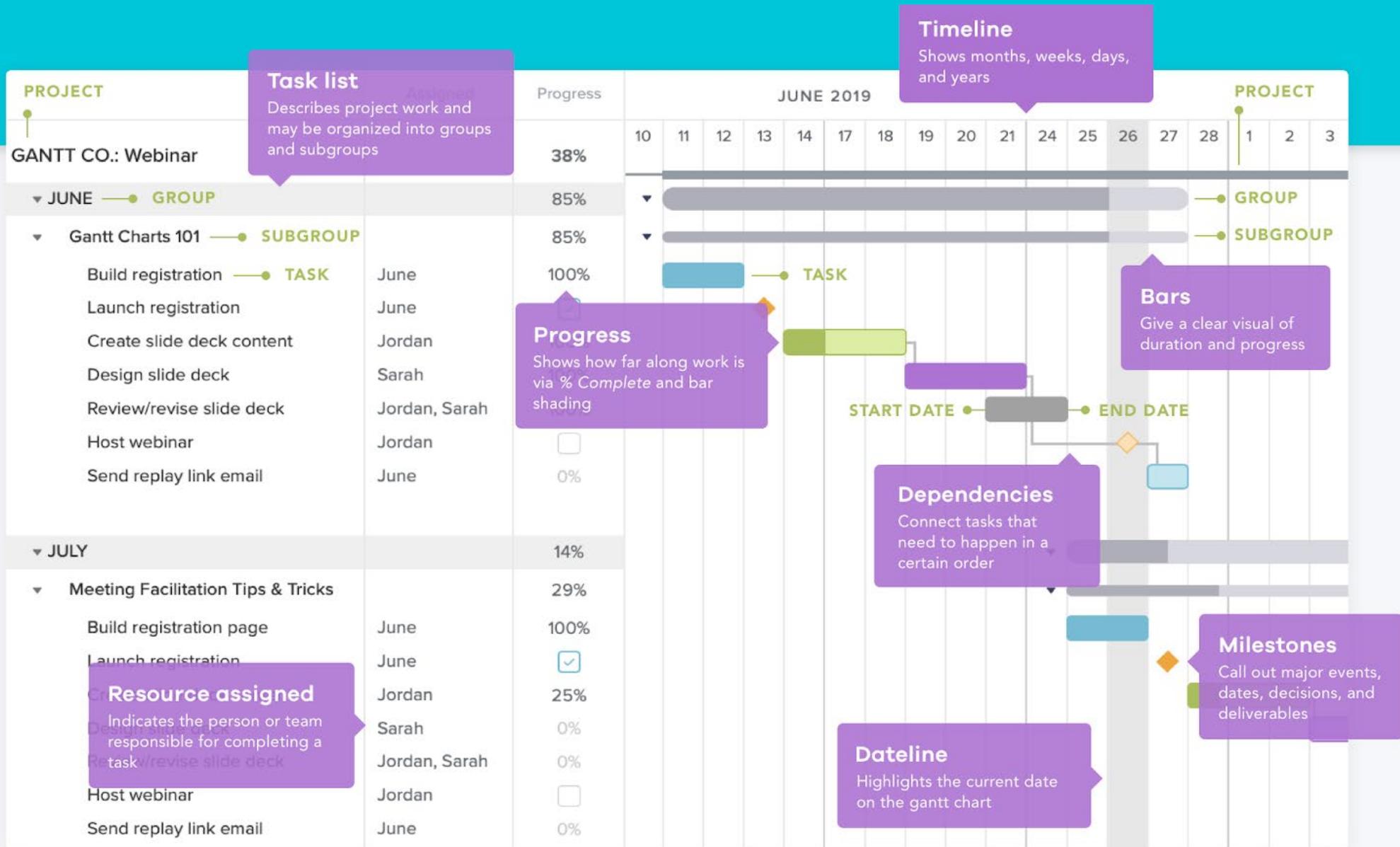


APPROVALS

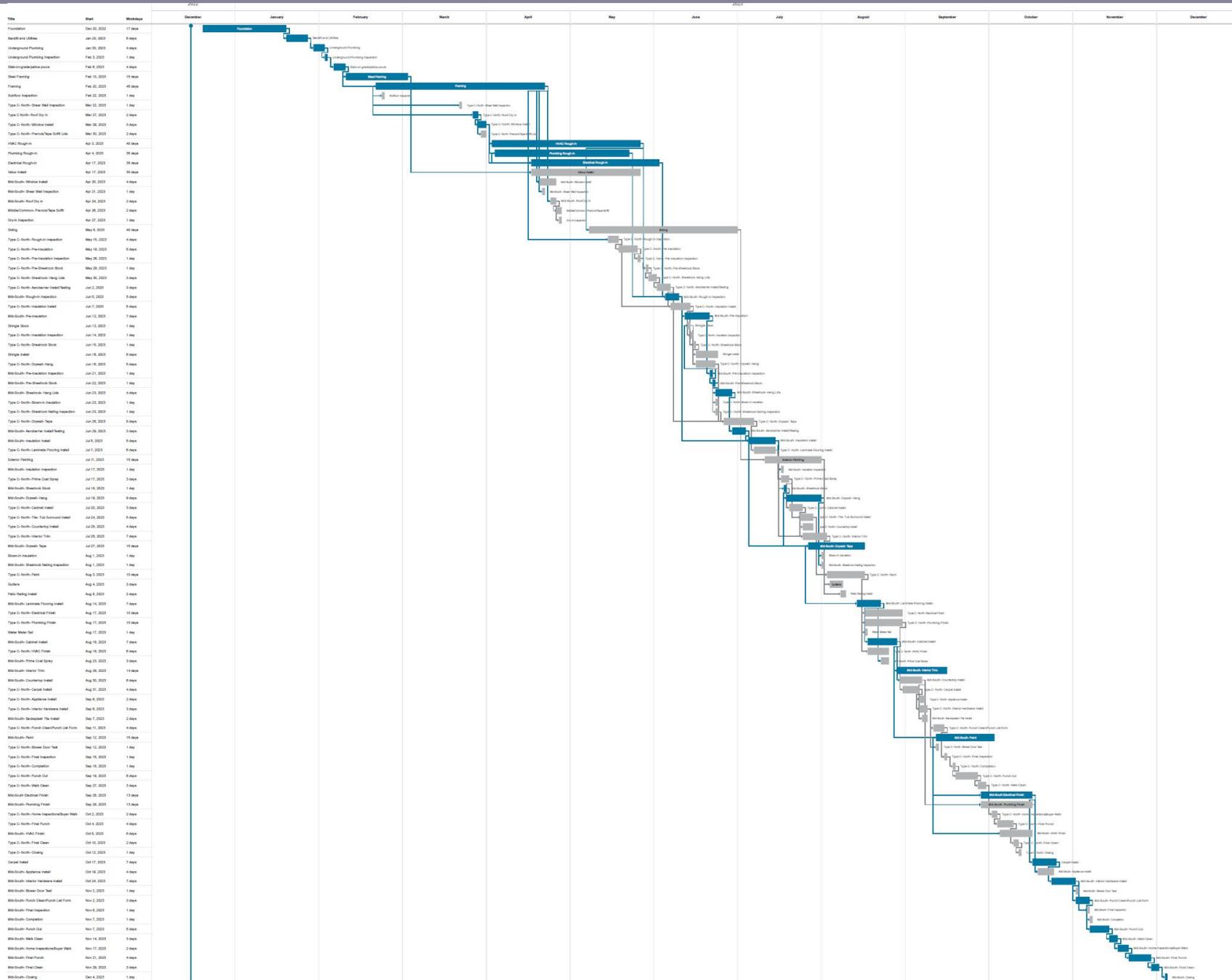


FINANCING

What is a Gantt Chart ?



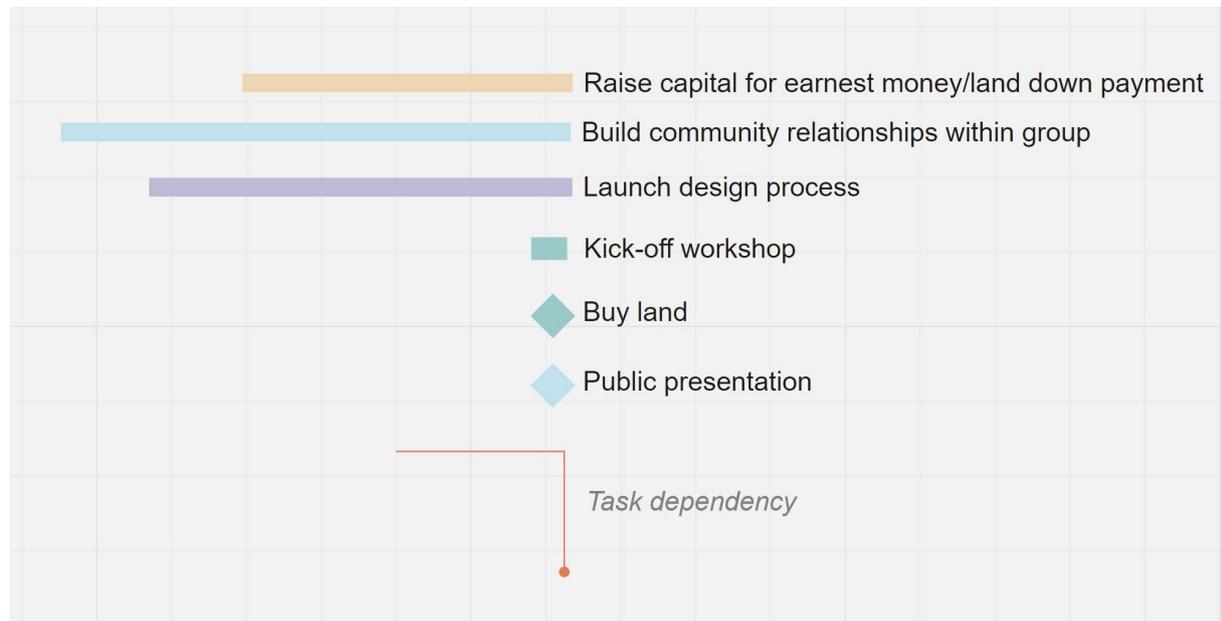
Gantt Chart - Example



Small groups Activity

Creating a simple Gantt Chart,
Prioritize these tasks:

[LINK](#)



Public presentation

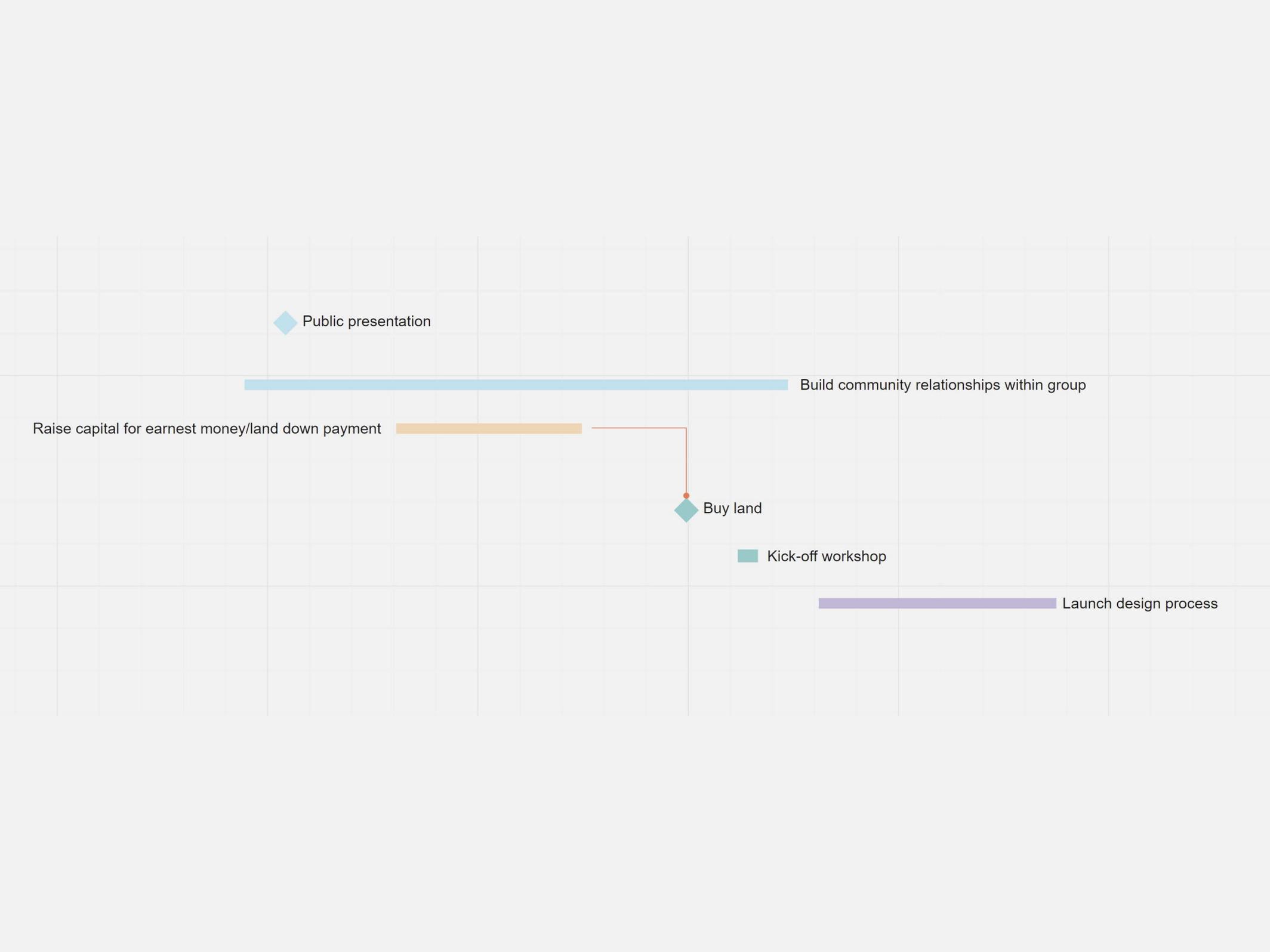
Build community relationships within group

Raise capital for earnest money/land down payment

Buy land

Kick-off workshop

Launch design process



02 PROJECT STAGES AND TIMELINE

Key work flows and consultants timeline

Cohousing Development Process

WITHOUT LAND

FOUND GROUP

ACHIEVE FINANCIAL
CAPACITY TO BUY LAND

FIND LAND

GAIN CONTROL OF LAND

START DESIGN PROCESS

Cohousing Development Process

WITHOUT LAND



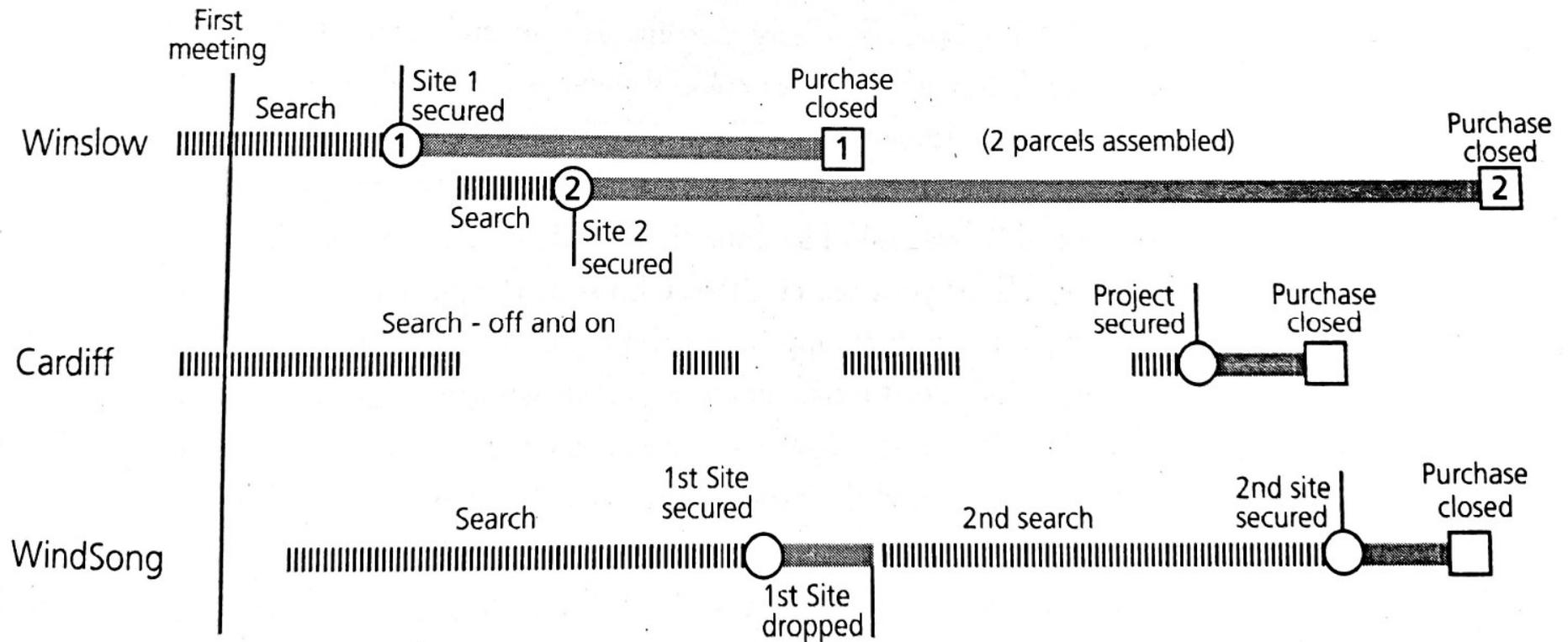
WITH LAND



Project stages and timeline

Land acquisition comparison timeline chart

Winslow, Cardiff Place, WindSong



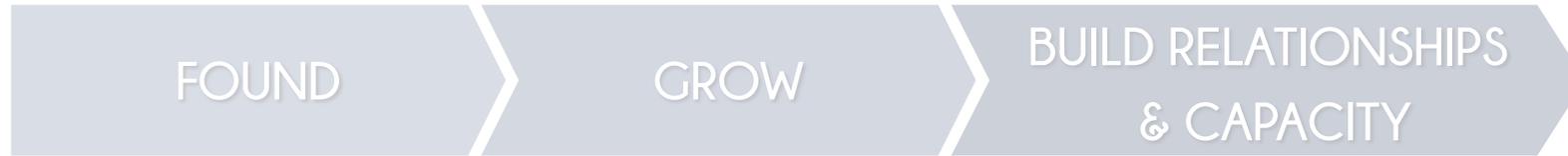
Key work flows and sequences

GROUP



Key work flows and sequences

GROUP



DEVELOPMENT



Key work flows and sequences

GROUP



DEVELOPMENT

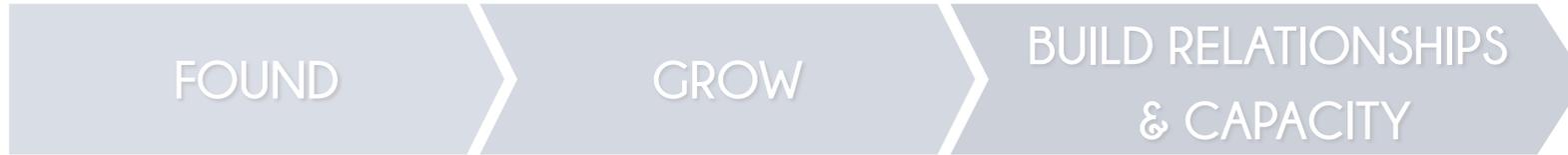


DESIGN



Key work flows and sequences

GROUP



DEVELOPMENT



DESIGN



FINANCING



SMALL INVESTMENT
WORKSHOP/TRAINING, LLC,
MEETING SPACE, ETC.

SIGNIFICANT INVESTMENT
FOR THOSE WHO CAN.

20% HOME PRICE
FOR EARLY MEMBERS

20% HOME PRICE

Cohousing Development Process - Gantt Chart

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GROUP

- Spread the word in your network
- Public presentation preparation
- Public presentation
- Set up LLC
- Form LLC
- Advertising campaign
- Build relationships within group

DEVELOPMENT

- Search land
- Find land
- Buy land
- Interview development consultants
- Hire development consultant
- Kick-off workshop prep
- Kick-off workshop
- Pro forma

DESIGN

- Interview Architects
- Hire Architect
- Land feasibility
- Launch design process

FINANCING

- Raise capital for land down payment
- Down payment for land

Cohousing Development process

Spread the word in your network

Public presentation preparation

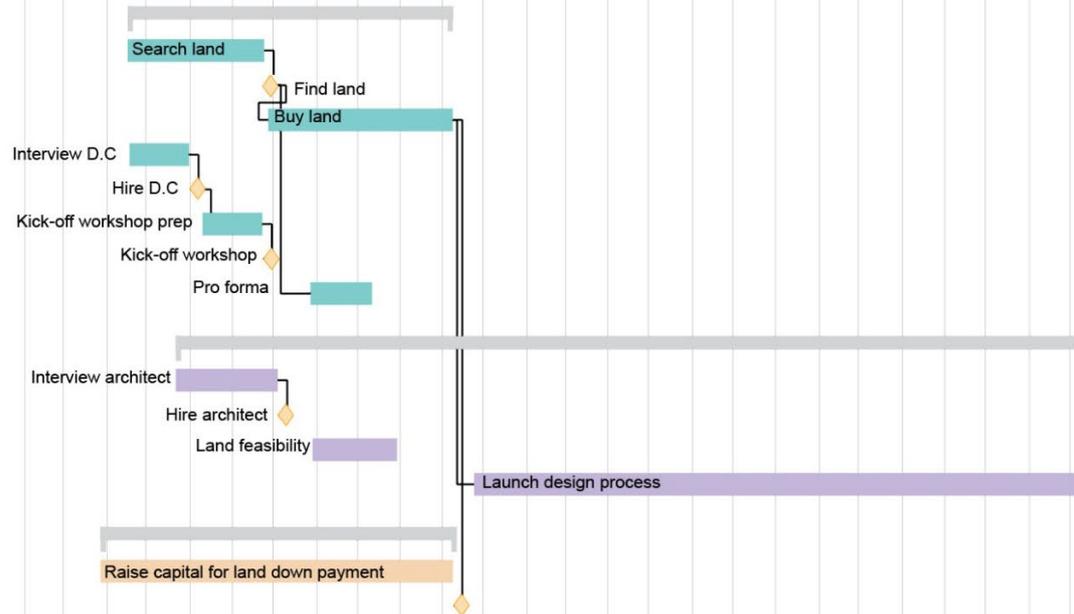
Public presentation

Set up LLC

Form LLC

Advertising campaign

Build relationships within group



When to hire which Consultants

GROUP FORMATION

Development
Consultant

Architect

When to hire which Consultants

GROUP FORMATION	LAND PURCHASE
Development Consultant Architect	Civil Engineer Soils Engineer Environmental Engineer? Lawyer

When to hire which Consultants

GROUP FORMATION	LAND PURCHASE	DESIGN PROCESS
Development Consultant Architect	Civil Engineer Soils Engineer Environmental Engineer? Lawyer	Surveyor Landscape architect Subconsultants (structural, mechanical, electrical engineers) Other subconsultants (energy, sustainability, envelope, lighting, solar, acoustic, etc.)

When to hire which Consultants

GROUP FORMATION	LAND PURCHASE	DESIGN PROCESS	PRE-CONSTRUCTION
Development Consultant Architect	Civil Engineer Soils Engineer Environmental Engineer? Lawyer	Surveyor Landscape architect Subconsultants (structural, mechanical, electrical engineers) Other subconsultants (energy, sustainability, envelope, lighting, solar, acoustic, etc.)	Development partner Cost consultant/contractor Owner's rep?

When to hire which Consultants

GROUP FORMATION	LAND PURCHASE	DESIGN PROCESS	PRE-CONSTRUCTION	CONSTRUCTION
Development Consultant Architect	Civil Engineer Soils Engineer Environmental Engineer? Lawyer	Surveyor Landscape architect Subconsultants (structural, mechanical, electrical engineers) Other subconsultants (energy, sustainability, envelope, lighting, solar, acoustic, etc.)	Development partner Cost consultant/contractor Owner's rep?	Testing

Consultants (who they are and when to hire them)

GROUP FORMATION	LAND PURCHASE	DESIGN PROCESS	PRE-CONSTRUCTION	CONSTRUCTION	VARIES
Development Consultant Architect	Civil Engineer Soils Engineer Environmental Engineer? Lawyer	Surveyor Landscape architect Subconsultants (structural, mechanical, electrical engineers) Other subconsultants (energy, sustainability, envelope, lighting, solar, acoustic, etc.)	Development partner Cost consultant/contractor Owner's rep?	Testing	Group process consultant Professional facilitator Advertising & marketing consultant Real estate agent



Movement Break

See you in 10min

04 FINANCING

Creating a budget

TRAINING

4/27: Financing Your Cohousing Development

[View Session details](#) ▾



Kathryn McCamant

Course Description

Learn the basics of real estate financing. It's easy to make expensive mistakes with cohousing developments, by not having with the right help or understanding what you need to do when. Katie will explain development budgets, how you raise the money and get construction financing in this webinar specifically geared for building a cohousing community. Based on decades of experience building cohousing communities.

FINANCING YOUR COHOUSING DEVELOPMENT
with Kathryn McCamant

Learn the basics of real estate financing, including development budgets, how to fundraise, get construction financing, and more.

April 27th, 3-5pm PT

Not Enrolled

Register now

\$60

Session Includes

- 1 Module

New built STANDARD

- > SF
- < \$/SF
- No common facilities, lower quality

= **SIMILAR PRICE**



New built COHOUSING

- < SF
- > \$/SF
- Cost of common facilities, higher quality, and indirect cost of self-development

= **SIMILAR PRICE**

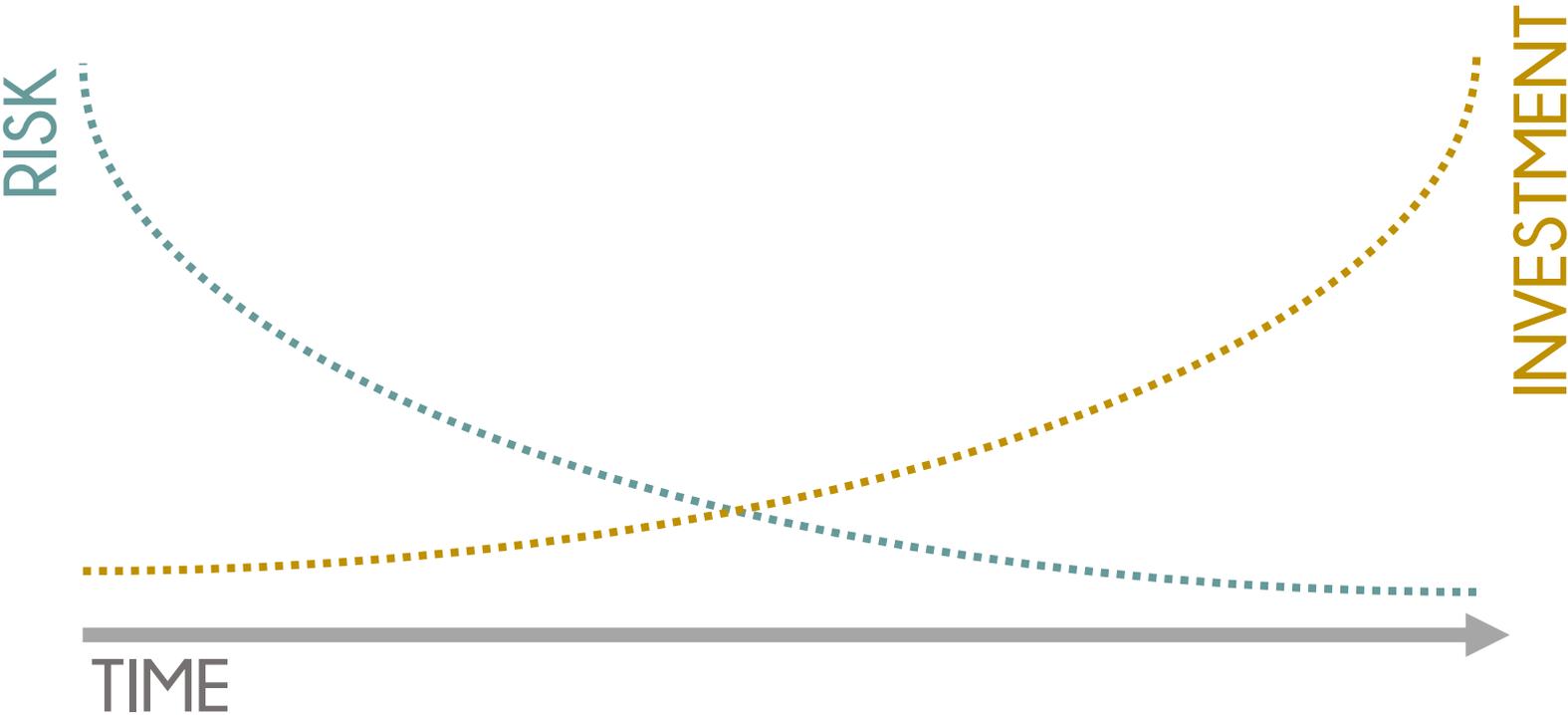


Pro forma

Based on Cohousing Solutions Kick Off Workshop

	Typical % of Total Costs
Land Costs	5 - 25%
Construction Costs	40 - 60%
Soft Cost	20 - 35%
Profit & Distributable Cash	10 - 15%

Risk and Investment over Time



Conceptual Cash Flow

Phase 1 - Land Purchase

- Land price
- Due diligence consultants (~10-40k)

Phase 2 - Design

- Land holding costs (~10-20% land price)
- Consultants, project management, city fees, marketing etc. (up to 20% of home price)

Phase 3 - Start of Construction

- Market rate buyers contribute remainder 20% of home price
- For-profit development partner guarantees construction loan and home prices

Phase 4 - Move In

- Market rate buyers capital contributions rolled into mortgage down payment and buyers are credited home discount for early investments.
- Distributable cash split between development partner, participating investors, and community.

Small group activity

[LINK](#)

Using the pro forma provided,

Which will reduce the cost of your home the most?

1. Finding a seller or member to carry the land purchase at an interest rate 1% below market.
2. Using code minimum insulation, heating, and cooling systems instead of energy efficient products to save \$10/sf
3. Increasing the number of homes by 10%.
4. Cutting out the internal affordable housing subsidy to two homes
5. Cutting the common house size in half
6. Reducing homes by 150sf (about one bedroom), while increase common house by 1000sf to make up for it.
7. Try combining 2, 3, 4, and 6.

Small group activity

[LINK](#)

Using the pro forma provided,

Which will reduce the cost of your home the most?

1. Finding a seller or member to carry the land purchase at an interest rate 1% below market. **(2k)**
2. Using code minimum insulation, heating, and cooling systems instead of energy efficient products to save \$10/sf **(17.5k)**
3. Increasing the number of homes by 10%. **(18k)**
4. Cutting out the internal affordable housing subsidy to two homes **(13k)**
5. Cutting the common house size in half **(24k)**
6. Reducing homes by 150sf (about one bedroom), while increase common house by 1000sf to make up for it. **(34.5k)**
7. Try combining 2, 3, 4, and 6. **(79k)**

Homework

PRIMARY INVITATION

- If you don't have land, identify a few empty parcels on your city's GIS, and identify:
 - Size
 - Zoning (allowable uses and densities)
- If you have land already, look through the dvlpmt check list, identify which items you don't know yet, and investigate a few of them. For example:
 - Location of nearest utilities
 - Nearest transit stop
 - ...

GOING DEEPER

- Annotated reading from The Cohousing Handbook: working with professionals
- Reading from Creating a Life Together: Drawing on the Cohousing Model



Thank you !