Published Feb 8, 2011 Published Tuesday February 8, 2011 **Builder pins its hopes on open spaces** By Jeffrey Robb WORLD-HERALD STAFF WRITER



## KENT SIEVERS/THE WORLD-HERALD

Celebrity Homes is redesigning floor plans of townhomes and single-family homes to offer more functional space, including opening up kitchens to flow into living spaces, such as at this model, above, in the Clear Water Falls subdivision near 48th Street and Capehart Road in Bellevue.

Aiming to stay up-to-date with a changing housing market and shifting buyers' tastes, Celebrity Homes is making what it calls aggressive changes to its floor plans and new home features.

The moves come at a time when the local housing market is still trying to build momentum following the recession. Across the metro area, single-family building permits have risen for five straight months and home sales overall have turned up from a seven-month slide, according to seasonally adjusted figures from the Greater Omaha Chamber of Commerce.

In the meantime, national surveys show people are keeping their homes longer, spending more leisure time at home and favoring more open spaces, all while the average size of new homes is dropping and green features are growing in popularity.

Celebrity, the Omaha metro area's largest townhome builder and traditionally the second-largest builder overall, is redesigning floor plans of townhomes and single-family homes to offer more functional space, opening up kitchens to flow into a "great room," offering a couple of new smaller models and upgrading its finishes and included features. While the changes recognize national trends, Celebrity says the moves also reflect preferences of its own customers as expressed in the builder's surveys.

"We got extremely aggressive with our changes," said Shawn McGuire, sales manager-broker for Celebrity Homes, calling the revisions the most at one time for the builder in more than 10 years. "We want to make sure our homes and our models" are current with the trends.

Celebrity's redesigns coincide with a move by its chief competitor — Hearthstone Homes — to enter the townhome market that Celebrity has long led.

In anticipation of its redesign, Celebrity, which is building in 20 different subdivisions, went on a run last year of installing basement foundations. During the six months after the expiration of federal tax credits to spur home sales, the builder took out more building permits in the metro area than any other builder.

In all, Celebrity is introducing three new models and redesigning 11 others.

McGuire said a lot of Celebrity's floor plans had "compartmentalized" rooms — for instance, a family room separate from formal living and dining rooms.

Now, he said, rooms have been opened up, brought together into a great room and designed with energy efficiency in mind. Kitchens were opened up to flow into those rooms and to offer more counter space and islands.

McGuire said Celebrity is trying to maximize the amount of usable living space. One side effect is less room inside for storage, but garages on eight models have been expanded to make up for that, he said.

Celebrity also is incorporating more open lofts and building more finished basements and rec rooms for buyers.

"They're going to be home more often," McGuire said. "They like to have some different spaces to be at in their home."

The trend toward more people finishing their basements reflects a couple of issues: Low interest rates make it cost-effective, and people want to get the popular home improvement done if they intend to stay in their home longer. In the past, homeowners might refinance their mortgage some time after moving in to pay for the basement finish, but McGuire said buyers now find it simpler and smarter to roll the cost into the original mortgage.

On all but a few models, a rough-in for a basement half-bathroom will be included as a standard feature. Celebrity is known for including a series of features, such as appliances and window blinds, in its base price, while other builders typically charge extra to add them.

McGuire said buyers have moved beyond a mindset that they will build a home and move in a couple of years.

"Most people don't think like that anymore," he said.

Inside its homes, Celebrity is upgrading the design of its included light fixtures, while offering new options to upgrade, at the buyers' cost, to Corian-brand or quartz countertops in more homes, to wood and ceramic floors in more models and to upgrade fireplace fronts. In the general interior design, wrought iron railings with oak banisters are replacing country-style white spindle railings.

On the exterior, Celebrity is offering more stone work and different color schemes, more covered porches and stoops, prairie-style windows, new shutters and different roof lines.

Celebrity also is trying to make the buying process easier.

It now offers four preferred lenders, instead of one, which allows customers to shop for a competitive rate or perhaps get a mortgage through their existing bank, McGuire said. In a time when lending restrictions have tightened, the variety of lenders has helped finance some buyers who couldn't qualify through one of the lenders, he said.

The builder also has created a one-stop location for buyers to select colors, countertops, cabinets, carpets and fireplace designs. That is similar to Hearthstone's selection studio.

McGuire said Celebrity typically makes fewer, more cosmetic changes each year. But this time, he said, the goal was to create a distinctive difference.

"You have to adjust your product to meet the demand."

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