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From the Houston Business Journal:

<https://www.bizjournals.com/houston/news/2022/05/05/historymaker-nelson-mitchell-onm-living-rentals.html>

HistoryMaker bulks up in DFW, Houston; for-sale homes and rentals in the mix

May 5, 2022, 3:12pm CDT

Grapevine, Texas-based HistoryMaker has acquired more than 6,000 lots in the Dallas-Fort Worth and Houston areas and expects to add up to 5,000 more this year, marking record-breaking momentum for the company as it expands its presence in both markets, CEO Nelson Mitchell said.

Through its affiliates, HistoryMaker Homes and ONM Living, the 73-year-old company will build for-sale and for-rent homes on the lots, with the bulk of those in DFW, Mitchell said in an interview with the Dallas Business Journal.

The 6,000 lots were acquired in the past 15 months, and the company plans to buy 4,000 to 5,000 more by the end of 2022, Mitchell said.



COURTESY OF HISTORYMAKER

A HistoryMaker home. The company is expanding fast, mainly in DFW, but also in Houston.

Seven of eight communities that build-for-rent affiliate ONM Living has under construction or planned are in DFW, he said.

“There's one under construction currently in Fort Worth, and we've got a couple more that are going to break ground here by the end of the summer,” Mitchell said. “The rest are in the pipeline working their way through entitlements and engineering and those sorts of things.”

ONM has about 2,000 build-to-rent units in the pipeline with a project value of about \$650 million, Mitchell said. ONM Living's build-for-rent offerings are comprised of build-for-rent single-family detached villas and multifamily cottages.

“ONM is a little over three years old now,” Mitchell said. “It was a diversification strategy where we saw a need in the market that a lot of people are seeing. I feel like we were a little bit earlier than some to get into it, so we've established ourselves. We have two assets that we've fully stabilized already that are under our belt, and what we're talking about now is what's in the pipeline going forward.”

Click here to read the Houston Business Journal's recent cover story about the booming build-to-rent trend.

ONM Living developed Cottages at Bell Station, a community of 140 cottage-style units ranging from studios to three-bedroom floor plans, as its first standalone project in Dallas-Fort Worth. ONM fully leased the community before its sale to MBP Capital last month. ONM also recently sold the Villas of Rockbrooke in Lewisville.

Mitchell said the cottages rent for \$1,100 to \$1,500 a month, depending on location and size.

The growth plan for ONM Living includes two communities slated for completion in the fourth quarter of 2022, along with the seven communities in DFW and one in Houston that will have multifamily cottages and villa-style homes, said Zac Thompson, president of ONM.

The two that will come online by the end of this year are the 131-unit Villas at Summer Creek and the 198-unit Cottages at Summer

Creek. Both are in Fort Worth.

ONM plans targeted expansion across 75 residential communities over the next five years, Thompson said.

HistoryMaker Homes, the affiliate focused on for-sale communities, delivers more than 1,300 homes annually across 40 communities throughout DFW and Houston and plans to expand that this year, Mitchell said. He said that the homes range from townhomes to single-family plans that offer attainable options for 40-, 50-, and 60-foot lot sizes.

HistoryMaker's townhomes start in the high \$200,000s, and the builder's homes range up to \$600,000 in its higher-priced neighborhoods, Mitchell said. The average sales price is about \$400,000.

Mitchell said he anticipates more renters as interest rates rise.

"I think we're in the early stages of seeing, from a HistoryMaker standpoint, somewhat of a softening taking place," he said.

"Between the cost increases and price increases that the market's absorbed, and now you compound that with 5% and rising mortgage rates, and I think more people are going to have to rent.

Bill Hethcock

Senior Reporter

Dallas Business Journal

