

ENTREPRENEURS

Born out of pandemic, Minimal Living Concepts' home additions firm addresses Phoenix-area demands

Georgann Yara Special for the Arizona Business Gazette

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When Zander Diamont and Jared Amzallag decided to start their own real estate development business, many factors were out of their control.

For starters, the pandemic and the shutdowns that followed.

But when they moved to Arizona to pursue their venture in the midst of uncertainty, it took another unexpected turn. It proved successful.

They didn't plan on the business model for Minimal Living Concepts, their Scottsdale-based company that designs and builds modern additions and small- to medium-sized houses on the property of existing homes.

However, when trying to launch their development business, Diamont and Amzallag realized the pandemic that nearly shut down their original business plan planted the seed for a new one.

With so many people working from home and children using their rooms and any open spaces as classrooms, they saw a demand for more space to do these jobs. Initially, they intended to produce overflow living spaces that could serve as an office, at-home gym or classroom, Amzallag said.

“People were working at home and wanted to add space to their property. Very quickly they started asking for larger units, one bedroom, two bedrooms and three bedrooms,” he said.

“We realized there was a dramatic need for this.”

They launched Minimal Living Concepts in 2020, and started fully operating and creating the standalone units in 2021.

Five modern minimalist designs range from 429- to 1,600-square feet, featuring one to three bedrooms and one or two bathrooms. Prices start at \$150,000, with the average cost ranging from \$200,000-\$250,000. An empty floor plan that will serve as a 500-square foot blank open canvas is in the works for homeowners looking for a simple gym, office, man cave or she shed.

When Diamont and Amzallag embarked on their first projects and met with clients, contractors and other professionals needed for a new build, they realized the process was overwhelming.

Then, Diamont's background in marketing and selling luxury real estate in Los Angeles and Amzallag's experience running an ad agency, also in L.A., came together. They decided to remove the hassles by streamlining the process and taking care of every detail, from permitting to structural engineering to fixture customization to the end of construction.

"We quickly realized how fragmented the process was. You really have to vet them well and it's really daunting for a lot of people. (We thought) let's provide a turnkey solution to knock all of this out for people," Amzallag said.

The goal was to make the experience as easy and seamless as possible. Clients go online and can see how their unit is coming along in real time and know what it will cost within 10% certainty, Diamont said.

Competitive home market creates interest in additions

This formula has resulted in 60 units completed over the past two years, Diamont said. They are on track to keep this pace, if not exceed it, this year. About 80% of those are accessory dwelling units used as add-on living spaces on the property and detached from the main house. The remainder are used as primary residences by homeowners who own a vacant piece of land and build one of Minimal Living's two-bedroom units on it.

A competitive housing market generated new clients who concluded that adding on to their property was the most cost effective and efficient way to enjoy a new home without paying a

fortune for something they may not love as much as their original one. They can also keep their current interest rate.

But the pandemic was a spark that got the company off to a solid start.

This was the catalyst for Phoenix homeowner George Hasiotis' seeking out Minimal Living.

Hasiotis and his wife Georgette were both working from their home office and their daughter came home from New York City and was also working there.

After doing research on similar businesses, Minimal Living's quality, space configuration, aesthetics and start-to-finish custom turnkey service sealed the deal. Hasiotis said the final cost for their 700-square foot one-bedroom unit was "significantly lower than anything by a custom builder."

Since then, the unit has seen a lot of action as a place for visiting friends and family to stay, for a family member who needs to quarantine or for Hasiotis to chill out in a different space that feels like a luxury cottage. He said it has enhanced their quality of living.

"I've done a lot of construction projects on houses we've owned in the past and I never wanted to go through it again. But this one was really the exception," Hasiotis said, citing Minimal Living's service and process. "They made it so much more efficient. They are phenomenal."

How company got its start in metro Phoenix

Diamont's and Amzallag's careers connected them in Los Angeles, where they planned to start their own development company. But COVID-19 and the California shutdown put those plans on ice.

Amzallag, a graduate of the W.P. Carey School of Business Arizona State University, felt that returning to the Valley, where there were fewer restrictions amid a more friendly new business environment, would give their venture a better shot.

"I told Zander, if we're going to do this, this is the place to do it," Amzallag said.

They moved to Arizona and purchased their first piece of land to develop. But when the idea for Minimal Living struck, they went with that flow. Currently, they are working on one

mixed-use development project but their primary focus is their booming residential company.

Diamont relishes the look on a client's face at the completion of a project. He also enjoys hearing that the space his company created is used as envisioned.

He talked about one client whose daughter was visiting for a while and used his unit as an office. She was taking phone calls, doing virtual meetings on her computer and not skipping a beat in a space that was not part of the original home.

“Hearing about moments like that are really rewarding,” Diamont said.

Another pleasant surprise was homeowners using their units as in-law suites for older parents. With the high cost of many facilities and concern over quality of care, more clients want to keep grandma or dad close to home.

“To provide a really beautiful home and beautiful unit that people are actually living in and know it's going to be enjoyed and loved by someone's parents and creating memories in it ... is really awesome,” Amzallag said.

What: Minimal Living Concepts

Where: Scottsdale

Employees: 10

Factoid: The home remodeling market is estimated at \$432 billion, according to the Harvard Joint Center for Housing Studies.

Details: 602-345-0002, minimallivingconcepts.com

