

(From left) Bob Small, director of construction services at Norwalk-based Contemporary Tiny Homes, with Breno Neri, president and co-founder of the newly formed business, outside a Bristol home where they are building an accessory dwelling unit.

Filling A Need

Norwalk-based entrepreneur says he can help solve the housing crisis — by building tiny homes

By Andrew Larson alarson@hartfordbusiness.com

s Connecticut faces a housing crunch that's driven prices so high that many potential homebuyers have been priced out of the market, Breno Neri has started a business in Norwalk that offers a solution.

"There is strong demand. There is a housing crisis. And I think I can help," Neri said in a recent interview with the Hartford Business Journal.

In late 2024, Neri started the company, Contemporary Tiny Homes, which specializes in building stylish accessory dwelling units (ADUs) from scratch - and in an affordable price range.

In March, Contemporary Tiny Homes broke ground on its first two projects: a fully custom-designed attached ADU in Bristol, and a detached accessory dwelling unit in Guilford.

Neri, who is president of the company, co-founded Contemporary Tiny Homes with his husband, Andrew Singer, who works in finance in New York City. They live in Darien and have four children.

The company is a one-stop shop for homeowners interested in building an attached or standalone living

AT A GLANCE

Contemporary Tiny Homes

Industry: Homebuilding Top Executive: Breno Neri, President

HQ: 40 Richards Ave., Norwalk Website: www.ctiny.homes Contact: 860-846-4100

space on their single-family home property. Staff work with customers to plan, design and execute their ADU project.

Contemporary Tiny Homes offers different levels of customization based on customers' needs and preferences.

The start-to-finish service includes helping clients understand ADU zoning regulations in their hometown, which can range from friendly to hostile.

"After the sale is concluded, we work with the homeowner to obtain the permits on their behalf," Neri said. "And once the permit is approved, we do the whole project, from excavation, putting down the foundation, building the home, including all

the mechanicals ... all the kitchen fixtures and lighting features, even your finishes."

A one-bedroom ADU ranges from \$149,000 to \$219,000, and a two-bedroom accessory dwelling unit starts at \$189,000.

It's not clear how many ADUs currently exist in Connecticut, but Neri believes several factors will drive future demand: it's a densely populated state, the amount of land available is limited and there's a severe housing shortage.

According to a report by ECOnorthwest, a consulting firm hired by the state to study housing needs, Connecticut needs an additional 115,000 to 372,000 housing units to balance supply and demand.

"So, by having accessory dwelling units, secondary homes within a given property, you can allow more people to have access to housing in different ways," Neri said.

Growth potential

The types of ADUs that Neri's firm builds cater to a variety of needs. Some homeowners are looking to build a private living space for a family member, such as aging parents or adult children. Or, they may want a guest house for visitors.

Other homeowners are pursuing income-producing rental units. For example, a homeowner could rent out a second home on their property to generate rental income to save for their retirement.

Older homeowners who want to downsize might build an ADU in which they would live, and then rent out the main house on their property.

"I think that could be really helpful for elderly folks who have potentially not saved enough," Neri said.

Contemporary Tiny Homes has about eight employees, including sales and marketing teams, which are based out of a Norwalk office complex.

The director of construction services, Bob Small, has more than 40 years of experience building homes in Connecticut. He oversees teams of contractors, many of whom he has worked with for more than a decade.

Neri said the business is poised for growth.

"We're starting to operate now in the eastern side of Connecticut, and we hope to be operating in southern Massachusetts as well," he said.

Neri, who is from Brazil, started a broadband business in his home country, which he sold to a larger company before moving to the United States to study at New York University, where he received a Ph.D. in economics.

After graduate school, he worked for several corporations, where he focused on launching new products and services.

Zoning hurdles

Many progressive towns are trying to promote ADU development as a sustainable housing option, a trend that aligns with broader efforts in the state to increase housing density.

In 2021, the state passed a law that requires municipalities to allow ADUs as a "matter of right" on single-family residential lots, meaning approval does not require a public hearing or special permit.

However, many towns opted out of that law and created their own zoning regulations for accessory dwelling units.

Some municipalities — Danbury, West Haven, Meriden, Waterbury and Norwich - have outright banned them. Many more municipalities allow them under certain restrictions.

For example, Norwalk, which opted out of the 2021 law, allows detached ADUs up to 700 square feet and attached ADUs up to 1,000 square feet. The city has shown flexibility by waiving certain parking requirements for accessory dwelling units.

Misperceptions surrounding accessory dwelling units persist in



many communities, though progress has been made, said Pete Harrison, **Connecticut director** for the Regional Plan Association,

Pete Harrison

who works with the zoning reform group DesegregateCT.

As more towns embrace ADUs, and more accessory dwelling units are constructed, residents are realizing their worst fears - such as increased crime, noise and a change in the character of their neighborhood - did not materialize.

"There isn't anybody I've met that has an ADU that regrets it," Harrison said. "They like it. It's great for family members. It's great for income."

There is debate about whether ADUs increase property values in neighborhoods that have them.

A recent study by the home improvement website Porch.com found that accessory dwelling units can increase a home's value by 35%, especially in large cities. The same study found that ADUs are growing at a rate of 9%, or 100,000 per year, nationally.

However, a 2023 study on the spillover effects of ADUs by the University of California in Irvine found that a small increase in ADU density led to a 3.6% decrease in nearby property prices, possibly due to increased population density and congestion.

Other studies say there is no conclusive evidence of ADUs affecting neighborhood property

values, either positively or negatively.

Attorney Kenneth R. Slater Jr., managing partner at Hartford-based law firm Halloran Sage, who advises municipalities

on land-use matters, said he believes towns are becoming more receptive



Renderings of accessory dwelling units designed by Norwalk-based Contemporary Tiny Homes.

to ADUs as a means to help alleviate the housing crisis.

"I think generally speaking, they're starting to follow legislative directions looking at affordable housing options, and I think there is a trend towards being more receptive to that alternative," Slater said.

State law sets a goal for municipalities to have at least 10% of their housing stock be affordable, and ADUs could count toward that threshold, Slater said.

Construction costs

Neri said he and his team are wellversed in local zoning laws and create accessory dwelling unit designs that fulfill their clients' needs and meet local standards. They will also attend zoning

meetings, if necessary, to obtain approvals on behalf of their client.

Contemporary Tiny Homes' wraparound approach includes helping customers design a project that fits their budget, with options to reduce costs on materials and appliances. Staff members also help clients obtain financing, such as a home equity loan.

A two-bedroom ADU that costs \$189,000 could be financed, with no down payment over a 30-year term, for about \$1,400 a month much less than the cost of renting a two-bedroom apartment. Neri said.

Harrison, of DesegregateCT, said residents have significant interest in ADUs, but high construction costs remain a barrier.

"The gap of interest and execution





has been the cost of the construction of ADUs," Harrison said. "They are really expensive still, and partly because Connecticut contractors don't have that muscle memory – we haven't been building a lot of them because they haven't been legal."

But he believes Contemporary Tiny Homes is at the forefront of a new industry in Connecticut, which could lead to lower prices as the sector grows.

"We are really encouraged to see companies like this," Harrison said. "And we hope that there'll be more competition, more innovation, and those costs will continue to come down."

