



“Building Your Custom Home – The Team Approach”

- Develop preliminary plans and preliminary cost estimates that compliment your budget
- Clearly specify your “Must Have” items and “Definitely Not” items
- Spend time shopping for ideas and selections
- Do Business with a professional, qualified licensed Builder
- Select a builder who can document their experience and track record
- Develop a trusting work relationship with your Builder early in the project
- Use your TEAM to establish a realistic and comfortable budget
 - ◆ Get pre-qualified through your Lender
 - ◆ Procure a site using a licensed REALTOR that is knowledgeable regarding vacant property
 - ◆ Receive a ‘ball park’ cost estimate from your BUILDER
 - ◆ Coordinate your ARCHITECT’S and DESIGNER’S plans with your budget
 - ◆ ***Maintain open and ongoing communications with all your TEAM members to ensure realistic expectations***

The TEAM

- Home Owner
- Builder
- Lender
- Realtor
- Architect
- Designer

Get your TEAM in place early in the process
Saves time and money in the long run
Develop a do-able cost effective design

The three most important factors in your decisions
VALUE – VALUE – VALUE

Make a commitment to the TEAM

LOCATING YOUR PROFESSIONAL TEAM (*Builder, Architect, Lender, Realtor*)

- Traditional Source: Referrals
- Friends, Family and Acquaintances
- Other building professionals (trade sub-contractors and suppliers)
- Architects and Designers
- Lenders
- Realtors (Informal, Fee based, Buyer's Agent)

- Other Techniques
 - ◆ Home Tours
 - ◆ HBA Showcase of Homes
 - ◆ HBA Builders Home & Improvement Show
 - ◆ Open Houses – View the product, interview the builder
 - ◆ Private tours – Call Custom Builders and arrange an appointment

- ◆ Advertisements and Promotions
 - Newspapers
 - Builder's "OPEN" model homes
 - Homes under construction – contact builder and request information
 - Information packets – contact builder and request their promotion packet
 - HBA annual *Guide to Builders, Remodelers and Services Guide*
 - HBAWC website – www.HBAWC.com

CHECK OUT THE TEAM (*invest time in building a relationship*)

- Call the professionals' references!
- Inquire about services offered
- Inspect their product (e.g., homes under construction and completed)
- Discuss 'ball park' design and cost estimates with the Builder
- Pre-qualify your budget with your Lender

WHAT VALUE DOES THE **BUILDER** BRING TO THE TEAM?

- Builder is knowledgeable resource

- Site costs
 - ◆ Will house "fit" affordably and efficiently?
 - ◆ What will it cost to develop site?
 - ◆ Site improvements

- Builder can assist with design
 - ◆ Some builders offer in-house design services

- ◆ Architect and Designer referrals
- ◆ House plan source
- Track costs through the design development to minimize surprises
 - ◆ Budget
 - ◆ Selections ('Wish List')
- Choose a Builder on Value (overall benefits at a reasonable price)
 - ◆ Quality product
 - ◆ Service – reliability and follow-through on commitments
 - ◆ Reputation
 - Professional - on schedule, meets/exceeds expectations
 - Experience
 - Knowledgeable
- Price and terms
- Teamwork = Communication
 - ◆ Realistic expectations: TRUST
 - ◆ Each team member contributes

WHAT VALUE DOES THE **ARCHITECT/DESIGNER** BRING TO THE TEAM?

- Preliminary consultation
 - ◆ Develops a program, gathers homeowner's ideas to incorporate in creative design
 - ◆ Discusses the homeowner's budget and expectations
 - ◆ Explains the design process and services provided by Architect
 - ◆ Analyzes site
- Preliminary design
 - ◆ Incorporates homeowner's ideas and expectations
 - ◆ With builder's input, tracks budget as design is developed
 - ◆ Offers referrals of builders and lenders
 - ◆ Willing to revise design utilizing TEAM suggestions
- Develops preliminary plans and specifications
 - ◆ Provides scale drawings and revisions to meet homeowner's expectations
 - ◆ Works with builder to coordinate design with building costs
 - ◆ Provides insight to new technology and products
 - ◆ Suggests ways to get the most value out of each dollar spent
- Construction Documents
 - ◆ Works with the homeowner and builder to finalize materials and selections

- ◆ Provides construction drawings and specifications as required for permit and loan process
- Construction Observation and Administration
 - ◆ Visits site periodically to check progress and verify that the home is being built in general conformance with the Construction Documents, and produces reports documenting the progress for the homeowner.
 - ◆ Answers the builder's and homeowner's questions
 - ◆ If required, processes construction paperwork, such as submittals and change orders
 - ◆ Develops a punch list with the homeowner (a list of items requiring attention before the job can be considered complete).
 - ◆ Accompanies the homeowner on a Final Walk-Through

WHAT VALUE DOES THE **REALTOR** BRING TO THE TEAM?

- Provide valuable input regarding the sale of your current residence
 - ◆ Market analysis to obtain accurate current value
 - ◆ Suggestions on improvements and repairs to increase value and to help shorten the listing & sales process and the marketing time
 - ◆ Overview of the strengths or weaknesses of the local real estate market
 - ◆ Estimate of net sales proceeds that will be available for new construction
- Obtain the information necessary to begin a search for the ideal home site for you based on:
 - ◆ Location
 - ◆ Budget
 - ◆ Size
 - ◆ Features
- Assist in the purchase of the property with serious attention being given to:

Zoning	Utilities
Setbacks	Market Analysis
Restrictions	Aesthetics
Soil evaluation if well/septic	Title Insurance
Water/Sewer if available	Terms of the Sales Contract
School district	Lot/house cost ratio (23% max)

WHAT VALUE DOES THE **LENDER** BRING TO THE TEAM?

- An Advisor During the Planning Stage
 - ◆ Works with homeowners to establish a budget by outlining an “affordable range” through a pre-approval.
 - ◆ Serves as a referral source for builders, designer/architect.
 - ◆ Discusses the financial structure for site acquisition, construction and permanent financing.
- As a Counselor During the Approval Stage
 - ◆ Reviews and explains the relevant documentation.
 - ◆ Serves as an advocate among the loan committee for the proposal
- As an Administrator During the Funding Stage
 - ◆ Relationship with the bank continues throughout the construction process
 - ◆ Oversee project scheduling to assure that timelines are met so rate-lock requirements are satisfied

THE IMPORTANCE OF THE **SELECTION PROCESS**

- Builder is a knowledgeable resource
 - ◆ Showroom – a ‘library’ of information and visuals
 - ◆ Samples, catalogs, manufacturer’s warranty information and technical data
 - ◆ Other professionals
 - Certified Kitchen Designers (CKD)
 - Interior Decorators
 - Architect (AIA) (RA)
 - Landscape Architect
 - Lighting specialist
- The Selection Sheets - everything is written down
 - ◆ Determine Allowances
 - ◆ Architectural elevations
 - ◆ Specifications
 - Material selections/detail for interior & exterior finishes
 - Systems/appliance/fixture selections
 - the Master Plan for the building project
 - Options
 - pricing

- color/finish
 - style/model
- So many details! Where do we start?
 - ◆ Organized process based on the 'Wish List'
 - Utilize the professional advice and rapport of the TEAM
 - Utilize the professional support of the TEAM

THE IMPORTANCE OF **WARRANTIES, THE FINAL WALK-THROUGH** and **HOME MAINTENANCE** BY OWNER

- Warranties
 - ◆ Implied
 - ◆ Written
 - Builder's Warranties
 - Defined in the Building Contract
 - Repairs would come under callbacks
 - Manufacturer's Warranties
 - Comes with the component- Builder should provide the originals at the closing
 - Repairs would come under service calls
 - Third Party
 - ◆ Keep maintenance records accurate and up-to-date
 - File original documents pertaining to warranties of the home's components and maintain log of work done
- Homeowner maintenance
 - ◆ Regularly inspect home for items that need or will need attention
 - ◆ Develop maintenance schedule
 - Daily
 - Seasonal
 - Annual
 - Add homeowner maintenance information to warranty file information
 - Refer to component's warranty for maintenance information



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