



Consumer Guide to Building a Customized New Construction Home

Homeownership is still one of the best ways that we are able to broadcast our sense of style and our social status. Think about the last time you drove through neighborhood.



I bet you were able to get a sense for the type of person that lived at each house by only looking at the exterior of the home.

This is why most consumer's ultimate dream is to not only buy, but build their own customized home. The joy and pride homeowners have in their very own customized home is something that they will never forget. Where does a homeowner start once they have made the choice to build a customized home? Who should they talk to first, an architect, engineer, home builder, interior designer, Realtor, lender? How much money will they need and what are their financing options? How long does construction take and what will they get to choose? All of these questions can seem overwhelming and cause the majority of buyers to stick to purchasing a home that is already available on the market. You can find plenty of gorgeous new construction homes already built. However, building your new home from start to finish gives you a home and an experience you will never forget.





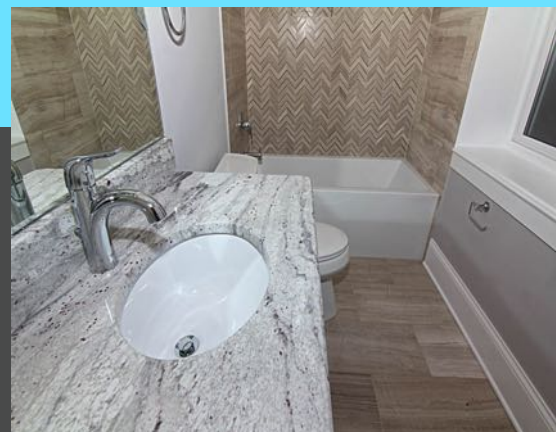
Outline

Where should you start and what professional help will you need? - The more customization you want, the more professionals you will need. (Pages 5-16)

- Lender
- Realtor
- Builder
- Architect
- Designer/Decorator
- Attorney
- Inspector

Prep Yourself (Pages 17-20)

- Money Talks - Make sure your financial house is in order before you go wasting everyone's time
 - Cash
 - Loan
 - Financing Options
 1. Down Payment
 2. Rates
 3. Timeline
 4. Payment
- Understanding where you want to build
 - Type of lots
 - Ask for help





Outline

Choosing a Builder and Negotiating (Pages 21-24)

- Builder Budget Review
- Meet Your Architect
- Full Budget Analysis
- Agree on Contract Price and Sign Contract
- Review Agreed Terms with Attorney - Understand your deposit requirements.
When are you required to have selections completed?
Where are you allowed to make your selections from?
What warranty is being offered by your builder?





Outline

The Construction Process (Pages 25-31)

- Architect and Engineer
- Customized Selections
 - Exterior (concrete vs asphalt driveway, roof, brick vs sidings, landscaping, paver sidewalks, deck in back, etc.)
 - Utilities (Furnaces, Radiant Heated floors, A/C units, Rough plumbing if unfinished basement)
 - Interior
 - Garage (finished drywall, heated, custom features (roof top, ball hoop, double tandem)
 - Understand your Builder's system
- Excavation
- Foundation
- Framing
- Rough installation
- Exterior
- Insulation
- Drywall
- Finish Installation
- Trim installation
- Clean up and punch list
- Move in
- Post Closing - Understanding your warranty





Where to Start

Know the Players of the Game

Jumping into the rabbit hole of building your very own customized new construction home takes a lot of faith, especially if you don't know where to start. In any real estate transaction you are going to need to enlist the help of licensed professionals to assist and help guide you in the right direction. The bigger the transaction the more professional help you are going to need. In this section we are going to detail all of the professionals that you will need to meet with in order to complete your customized new construction home. It may even feel like you need to talk to a therapist at times when it comes to debating your color selections. We can't help you with that part!

- Lender - It is our recommendation that before you start looking at colors, tiles, appliances, and dreaming of the most desirable master bedroom suite of all time you need to put your financial house in order first. You need to talk to your lender to figure out what it is you are going to qualify for, what your payment will be, your down payment requirement and how you are going to finance your custom build home. *If you plan to fund your customized new construction home with cash, then feel free to skip to the next section.
- Role of Lender - Odds are that you are not purchasing your first home as a custom build. That said we will skip the details that lenders are going to require from you for financial verification. Be ready to dust off the old shoe box and document a lot of items.





Where to Start

Know the Players of the Game

When talking with your lender you will find that you can either choose to let your builder front the construction costs or you can choose to obtain financing to fund the project on your own.

- Builder pays and you buy - In this transaction your builder will front the entire cost for the project, including the lot that you plan to build on. You will simply need to figure out the end cost of the home based on your agreed upon selections to verify that you will have no issue qualifying for the final loan. Going this route will allow you to have flexibility in the type of end loan you choose to utilize once the project is complete. Most lenders will have more flexibility with down payment, interest rate, and credit score requirements when using a one time end loan. The idea is that you are only financing the completed home so there is no change in the type collateral that is being financed from construction to mortgage.
 - Pros
 - Builder takes on the risk of financing the project and managing the budget
 - You have no interest payments while project is being completed
 - Upgrade flexibility - you still have time to finance upgrades you make
 - Time - Assuming builders have their financial house in order you will cut time using a builder as they will not have to wait for construction loan financing to fund your customized home *(Make





Where to Start

Know the Players of the Game

- sure to talk to your builder about how they intend to fund your home.)
- Down payment, rate, and credit flexibility - In general lenders have flexibility when dealing with an end loan for those without perfect credit and financials.
- Cons
 - Expect to pay a little more for the builder taking on the additional risk of financing the project
 - Less flexibility for the lender to lock your end rate for your loan while waiting for project to complete
 - Rate expiration - If project is not complete and you already lock your rate in you will potentially have to pay your lender to re-lock your rate or worse yet lose the low rate if interest rates increase
 - Majority of builders will require additional down payment or escrow funds from you as the project moves forward
- You finance, builder builds - In this transaction there is no doubt about it, you are applying for a construction loan. You are taking on more risk both with increased budgets and with increased interest paid if timelines drag out. This added risk typically means that you are going to pay less for the overall project. However, you are going to be limited on your loan options.





Where to Start

Know the Players of the Game

- Construction loan then permanent loan - With this type of financing you are going to have two separate loans. The first loan will be to fund your build out. The interest rate is typically fixed, but it comes with a timeline, meaning that your builder needs to be able to finish your project in the allocated time. Once your home is done you will then have to take out a second loan or your “end loan” which will lock your rate and term in for the time period that you choose. One of the big benefits of this type of loan is the flexibility to increase the end loan amount if you choose upgrades during construction.
 - Construction to permanent loan - This is a one time closing loan. You will also have the flexibility of paying for “interest only” during the construction process and switching to principal and interest once your project is complete. The negative of this loan is that if you change your mind and decide you want to upgrade items you will likely need to pay for it out of pocket as your loan amount is predetermined when you start.
- Pros
- ~ In all likelihood you will be paying the builder less of a premium since you will be taking on the risk of financing the project. In essence your builder becomes your General Contractor. Costs for the project are typically set on a percentage basis agreed upon up front





Where to Start

Know the Players of the Game

- ~ Lender will verify all work is complete before releasing funds to the builder
- ~ With construction to permanent loan your interest rate is generally locked in from the start of project vs waiting until the end
- Cons
 - ~ Paying interest from the start of project
 - ~ Timeline - much longer due to inspections from the lender and paperwork required to release funds
 - ~ Budget Risk - If builder is off on their budget you will be responsible to fund the shortage since they have no skin in the game
- How to find a good lender? - When it comes to finding a lender for a customized new construction home you may find that your options are a little more limited than for a regular home purchase. You are going to need to find a lender that has access to jumbo loans and maybe even the ability to hold onto your loan or what is known as “portfolio” the loan into their asset pool. Customized homes are going to be pricey, so loan amounts will easily surpass the conventional loan limits and require jumbo loan products. Local banks are typically more aggressive with this type of product as they want to be doing business with people in the community. Also, if you already have a mortgage or have worked with a mortgage lender in the past we always recommend seeking their loan availability.





Where to Start

Know the Players of the Game

If you are one of those clients who has already put the horse in front of the cart and started meeting with builders feel free to ask your builder who they recommend for financing. A good builder has a great lender that they are comfortable working with to assure that their clients' financials are in order prior to starting a project.

- Realtor - If you find out from your lender that you will need to sell your current home before you purchase a customized new construction home you may need to seek the assistance of a Realtor to help. *(Side note if you have to sell your home before you can build a new home remember that you will need a place to stay for the next 12-18 months while your new home is being built. If that seems like too much a burden to you then we suggest purchasing an existing home or a new construction home that is ready to move in) Having your Realtor involved in the negotiation of your new construction home is also a benefit as they can keep you on track with your emotions when it comes to the initial agreed upon price.
- Role of Realtor - A Realtor can play a crucial part in negotiating the baseline price you will pay whether it be for the lot or for the baseline purchase of the property when complete. In general a Realtor will not be involved in the negotiation of additional upgrade costs and choices once the initial price has been set. Even if you don't choose to use a Realtor to negotiate your custom home you can still use the opinion of a local Realtor to provide unbiased opinion of the project you are taking part in.



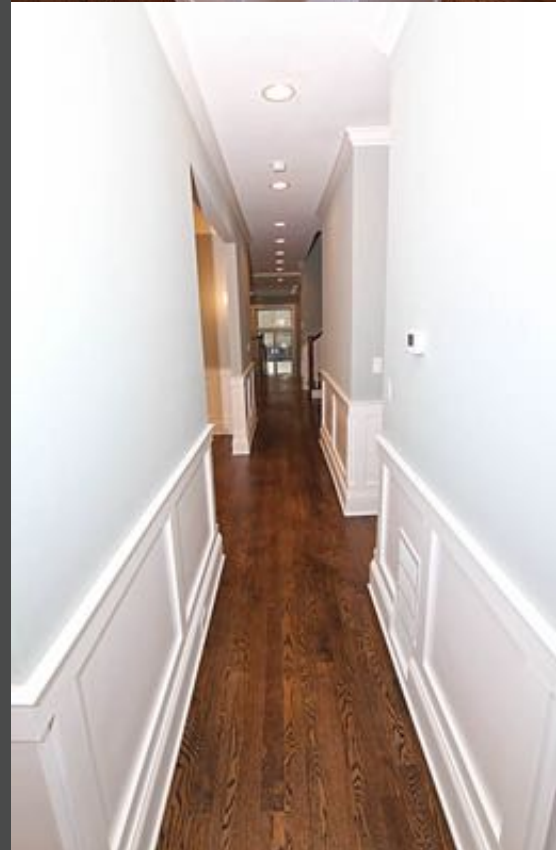


Where to Start

Know the Players of the Game

Using this information will play a big part in your decision making process as you determine how much money you plan to spend for the given area you want to build in. If you do choose to use the services of a Realtor we recommend you choose a local Realtor who knows the inside scoop on what land is going for and what other builders have in their portfolio for new construction homes being built or custom built in the next year. *(Not all builders will work with Realtors since you are building a new home, not purchasing an existing product. In other words, not all builders will pay your Realtor a commission.)

- Builder - By far the most crucial decision that you will make in your transaction will be the faith that you put into the hands of your builder. One thing that you should know is that your builder is also making a decision on whether or not they want to work with you. A builder experienced in custom designed homes knows that it takes a lot of trust in one another for you and them to work well together. They understand that you are not building a house with the intent to sell and move within 3-5 years, this is your dream home. They also understand that designing and building a customized home is going to require more decision-making than you would have even dreamed of, which means a lot of conversations between you and them. It is important for all of your family to be on board to work with your builder and feel comfortable asking them any questions so you are never left questioning what is going on.

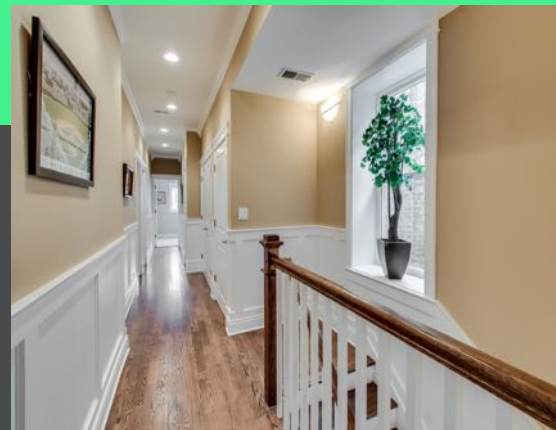




Where to Start

Know the Players of the Game

- Role of Builder - Your builder will be like a music production manager. The lead singers (sub contractors) are ego-maniacs who need all the attention, while the producer (builder) is behind the scenes pulling the project vision together. Your builder will want to get to know you so that they can help guide you to the correct professionals needed to complete your custom home build. They will need to get a sense of your style, design and size requirements and ultimately get you in touch with the architects and interior designers that can help you complete your home just the way that you want it. Once your decision-making process has been complete your builder will take over and coordinate all tradesmen needed to complete the home just the way that you envisioned it from the start. The communication and organization needed to build a house is incredibly high. Building a customized home requires an entirely new level of competence. On any given day before noon your builder may have communication with you, the architect, engineer, excavator, you again, siding supply company, electrician, framer, decorator, you one more time, inspector, banker, title company, and oh yes, their own family. With so many people looking for guidance it is important that your builder has a proven system of communication in place so that there is no confusion as to what is expected with your custom home build.

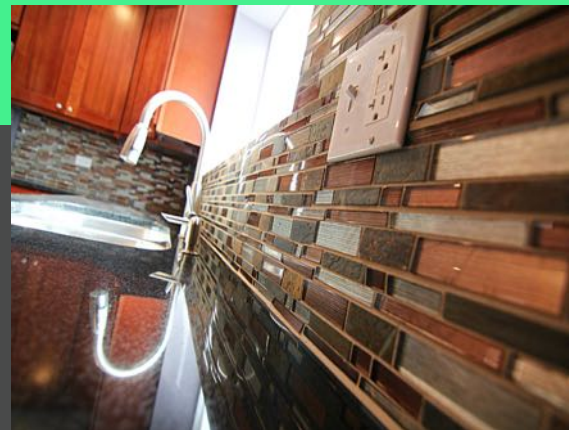




Where to Start

Know the Players of the Game

- How to find a good builder - The steps to finding a good home builder can be as simple as getting an old fashioned referral or could be as extensive as requiring a background check for your first child's babysitter. Ultimately you are looking to find someone you are comfortable working with as this is a long transaction that you will create a lifetime relationship with. Research their company on the internet, discuss with other families that have used the builder, view their current projects. Feel free to search a few builders out and have conversations with them. Builders understand this is not a decision you make in one day so typically they are not going to be pushy. In fact the good builders will likely wait for you to come to them if they are confident in their work and expertise.
- Architect - Frank Lloyd Wright is still one of the most recognized names in residential architectural design. For the most part the architects of today do not receive as much respect for their designs. Instead the builders get all of the credit. Make no mistake the architect that designs your home plays the biggest role in the end product. That is after all why it is recommended to “Start with the end in mind”.
- Role of architect - Once your builder has a good idea of what you are looking for they will recommend you to meet with one architect or another. You may be looking for a completely unique design that no one else has or you may want something similar to everyone else, but more focused on the finish selections and not so much the layout or front elevation being different from the other houses you have viewed.





Where to Start

Know the Players of the Game

Your architect will be able to provide design options that fit your personality. *(The more unique and customized your design is, the higher price you will pay both for architect and in building costs.) Once your initial design is set it will be up to your architect to work with the structural engineer and local codes for electric, HVAC, plumbing, sewer, building, etc. to assure your design meets the requirements of the city you choose to live. The blueprints that your architect designs will be what each tradesman follows to develop their bids and also follow once the project has started.

- Where to find a good architect - Although you can find the architect first, we recommend you use your builder's recommendation. Builders and architects typically work together on many projects, so they are comfortable working with the designs and building suggestions of one another. However, forcing a builder to use another set of plans by a new architect can sometimes be like asking your builder to read another language. Make sure your builder and architect have a good working relationship.
- Designer/Decorator - If you think that your 2-4 hours a night watching HGTV or browsing HOUZZ qualifies you to decorate your dream house, then congratulations. However, it may not be a bad idea to talk with a designer to help assist you with your selections and likely update you on upcoming trends that you can choose to make your home stand apart from the norm.





Where to Start

Know the Players of the Game

- Role of designer - Much like your builder your designer will want to get a sense of who you are. Don't be surprised if they come to your current living arrangement to figure out what your sense of style is. You may be planning to keep some of your existing furniture as well. It is important that you are able to incorporate the items you plan to use into your new home to maximize the style and customization. Your designer can play a small role in your home selections such as paint and tile, or they can help you select everything from the door knobs to the kitchen sink. *(Typically a designer is paid by the hour. Check with your builder to see if you are given any allowance for work with your designer.)
- How to find a good designer - Here again we recommend utilizing the services of your builder. What you want to avoid is a designer who believes that they are the architect and wants to change plans after they are in place. This can be costly to you, so you want to work with someone that sticks to the game plan already in place and focuses on the finishes your builder has allowed you to select.
- Attorney - With a custom design and build home we highly recommend that your attorney is involved in the review of all contract paperwork. When it comes to a transaction this big there is no reason to believe you are going to understand everything that is being said or agreed to. Your attorney will be there to assure everything is in order.





Where to Start

Know the Players of the Game

- Role of attorney - Both the builder's attorney and your attorney will assure everything is in order. They will also assure that you and your builder do your part in making sure the home is constructed and your finances are in order to complete the transaction at the agreed-upon time frame.
- Where to find a good attorney - If you have already purchased a home previously talk to the attorney you used then. Feel free to ask your builder, Realtor, or lender for a recommendation as well. *(Make sure to review the attorney costs. Typically they are fixed for a real estate attorney vs hourly for other types of transactions.)
- Inspector - Since you are building a new construction house the property will be subject to inspections throughout the construction process by the local municipality or county where the property exists. A full inspection once the home is complete is not necessarily needed. *(Your builder will also offer a warranty period after closing. Be sure to review what the warranty entails.) Review with your builder any additional certifications that they offer that could further reassure your home is built to the highest standard. There are many green programs available today that may cost a little more for you up front, but pay off huge for your utility bills in the long run.





Prep Yourself

Once you understand the important players of the game it is time to get down to business and make some decisions. Remember that nothing is set in stone until you actually sign paperwork and put up earnest money. Feel free to take your time and figure out who you are comfortable working with and you have a great understanding of where you want to build. The following section will detail the processes that you will need to go through to prepare yourself to pull the trigger and move forward with your custom built home.

- Money Talks - As we mention in the lender section it is important that you have your financial situation planned out so you understand what you can afford before you fall in love with a 5,000 square foot house and realize you can only afford a 3,500 square foot house. You need to make sure that you figure out what you are capable of given your cash and lending capabilities.
- Cash - Cash is king and is a fast track towards you starting your home build project. In fact cash is usually the only way that you can be your very own builder, although without experience. We do not recommend it unless you have experience in construction and the time to handle it on your own. You need to understand what you can afford with your cash so you don't end up needing a loan halfway through the project when it is already too late.





Prep Yourself

- Loan - Have the conversation with your lender if you are choosing to use financing for your custom build home.
 - Financing Options - Find out what your options are. Also, find out your flexibility for upgrades once the project has started. Are you able to pay with cash for the additional upgrades or will it affect your ability to obtain the end loan due to asset requirements?
 - Down Payment - Make sure you understand what is expected of you in regards to your down payment when the loan starts, and if you will need additional funds when the loan closes.
 - Rates -
 - Locking your rate - Understand when you can lock your loan and be able to communicate these details with your builder so they can assure the home is complete in time. *(We never recommend using rate lock as a way to motivate your builder, but be able to understand when it is safe to lock your loan rate and what the risks are of continuing to float your rate.)
 - Fixed vs ARM - Understand the type of loan that you are in from the start so you know how it affects your payments in the future.
 - Timeline - What sort of lead time will your lender needs. Timelines will differ if you are using a final loan vs using a construction loan vs using a construction to permanent loan.





Prep Yourself

- Payment - ***While you may understand what your payment is going to be for the loan do not forget about the property taxes. The 5,000 square foot home you are planning to build is going to cost a pretty penny when it comes to the adjustment on your property taxes. Make sure you understand what building a new construction home is going to do to your total payment obligation.
- Understanding where you want to build - Once you have your financing and budget in mind you want to decide where you want to build.
 - Type of lot - Based on your preferences you will be able to determine not only what city to live in, but the type of lot and location. These decisions can be more important to the house itself. You need to make sure that you understand what the lot is worth and what new customized homes are selling for.
 - New Subdivision - You may be able to find a subdivision of all new custom built homes. If this is the case you will want to do your research to figure out what the lots are going for and what the final sales price is for the customized homes so you can make an educated decision. You should also check if there will be a homeowners association in the subdivision.





Prep Yourself

- Tear Down - You may find yourself wanting to build in an area that is landlocked. If this is the case you are going to be looking at old homes in the area to tear down and build from scratch. It is important to understand what these homes are being sold for and talk to your builder about what you are capable of building given the city codes.
- Existing Lot Already Owned - You may already own the lot you want to build on. If that is the case it is still important to figure out what your lot is worth and what homes are selling for in your area newly constructed.
- Ask for help - If your lender has not already recommended anyone it may be at this point that you want to start reaching out to other professionals to figure out what market conditions are. Realtors and builders both will have information regarding the property values in the area and what you are capable of building in comparison. Talk to both Realtors and lenders, visit open houses or show rooms and gather information. If you feel you need the help of a Realtor find one that you can trust will have your best interest first. *(The key that you want to understand before purchasing a lot or agreeing on a price with a builder is both what lots are available to purchase for and what similar new construction homes are being sold for once completed.) If using financing you are ultimately going to be required to have an appraisal on your land and your home once complete.





Choosing Your Builder and Negotiating Price

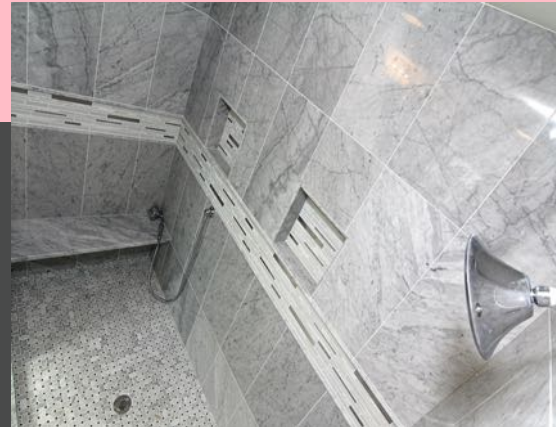
- Choosing Your Builder and Negotiating Price - At this point in the transaction you have selected the type of financing, you understand where you want to be and roughly what the costs for land and construction of similar homes are. You now have the tools to begin discussion with a builder on price. *(Remember, negotiation will differ to a large extent depending on the type of financing you are using. In general a builder will be less flexible if you are using their money to finance the project up front than if you are using cash.)
- Builder Budget Review - One of the most common questions you will hear asked of a builder is, "How much will it cost per square foot?" If that is all you are looking for then you are likely going to be disappointed when you find out later in your project what was or was not included. You need to obtain details on this question to figure out if that price includes appliances, basement, quartz vs granite, cost per foot of hardwood, vanities, etc. Make sure you understand what prices are for the items you will be able to select. The great deal on the lot you just received may be worth zero if your contractor or builder is planning to make extra on you for the upgraded items. Your builder should be able to provide you a specific idea of the budgets you will receive for your home without getting into details of the plans with the architect. Be sure to review with them and ask where most clients go over budget and what to watch for. *(Remember, your final budget cannot be determined until you make the final approval of your drawings with your architect.)





Choosing Your Builder and Negotiating Price

- **Commonly forgotten items to discuss during budget review with your builder include but are not limited to the following:
 - Furnace and A/C Unit budget and are there one or two sets of equipment?
 - Landscaping
 - Patio vs Deck
 - Concrete driveway vs asphalt
 - Basement rough in plumbing
 - Custom trim, tile and design options (typically upgrade costs)
- Meet Your Architect - Once you have decided on a builder you will then need to meet your architect who will design the custom home you are looking for. *(Typically you are going to have to pay for the architectural drawings up front.) Remember, these are your drawings for your very own customized home. You can always choose to use an existing set of plans to save money on your project, but you can never say that it as your design. Plan designs will include the material that will be used for the exterior of the home and also the “guts” of the home (insulation, framing materials, electric, green ratings, energy star approval, audio and visual, HVAC, plumbing, etc).





Choosing Your Builder and Negotiating Price

- Full Budget Analysis - Once you like the drawings that the architect designs, your builder and architect will work together to create a full bid for you based on the materials selected for constructing the home. You will then be able to combine your builder budget with your full budget analysis to have a full idea of the cost of construction for your customized new construction home. *(Does your total budget meet your market analysis? Make sure you do the math to assure your home isn't going to end up costing you more than what the area is worth.)
- Agree on Contract Price and Sign Contract - Once you are comfortable with all terms of the contract you will need to sign paperwork. The terms of your contract will differ depending on the type of loan you are using, the type of lot you are building on, and the estimated timeline for the given location you are building. The terms that you will review will be based on the following:
 - Cost of project - Remember when a builder is purchasing the lot and financing the construction costs they are likely only negotiating with you on the final price and upgrades you choose to have. However, if you are paying for construction with your own loan or cash, the builder will need to agree with you on their fee. You should know where your builder is making money on the project. Are they charging you a percentage fee based on the total cost for the home (cost plus) or is there fee fixed for their service (hard bid)? Understanding this will help you in determining your ability to pay for upgrades down the road.





Choosing Your Builder and Negotiating Price

- Escrow/Earnest Money - No matter how much you think your builder likes you they still want to get paid. That said they will want to make sure that escrow payments have been established up front.
- Timeline for the project - This area isn't much of a negotiation. It is an informational review that needs to occur throughout the project.
- Warranties - Believe it or not your warranty is another way you can negotiate with your builder. Most builders want nothing to do with your house once it is complete. You may be able to work out a lower price by waiving some of your warranty, but we do not recommend it. The important thing is you understand what your warranty covers and when you can call in a warranty item. Most warranties have checkpoint days in place to avoid the builder coming back once a week.
- Attorney Review - At this point we recommend having your attorney review all signed paperwork to assure that all parties are on the same page. Assuming both attorneys agree to the paperwork and there are no title issues with the land then it is time to move to the construction process.





The Construction Process

You may be worn out but unfortunately you have not even put a shovel in the ground to start your new home. Hang with us. Custom home building is a marathon, not a sprint. In fact from this point forward you have another 9 to 12 months before your home is move in ready, or even longer if your house is over 5,000 square feet or in a rural area that needs new infrastructure. This section will detail the construction process for your custom build home. *(It is important to note that your builder will likely require that you set an appointment to meet with them to view your home during the entire construction process. Yes, we get it, you are paying for the work to be done, but there are major insurance violations by you entering the site without the builder so be sure you are respectful of the job site.)

- Permits and surveys - Before any construction, demolition or excavation work can start the permit and plan set that your architect, engineer, builder, and tradesmen put together needs to be reviewed by the city or county. The city will review along side with your survey of land and likely a topographical survey to verify the home meets codes and also verify the effects of your new customized home on the area. This process can take anywhere from a month to six months for review. Each municipality will have different requirements and codes to abide by. Make sure that you talk to your builder and architect early on and even talk to the officials in charge of your review to verify the timeline you can expect.





The Construction Process

- Customized Selections - The good news is that while you are waiting you will have plenty of time to get started with your customized finish selections. *(Remember that the guts of the home are already in place. Making changes to layout, adding electrical work, finishing the basement, etc will cost quite a bit as your permit and plan set will need to be updated.)
- Designer/Decorator - If you are working with a designer/decorator this is when you will do most of your work together. Also, your builder will make sure to communicate with you and your designer to assure that you know where you are able to shop. The last thing that your builder wants is you shopping at 20 different stores for materials. They will have specific vendors in place so you can make the process easier for all involved. Selections can include, but are not limited to the following (review with your builder to be sure what items you are able to select):
 - Exterior - Roof, Brick, stone, and siding colors, landscaping, patio and or deck colors *(Note that landscaping is oftentimes used as an “upgrade” costs. Be sure your architect includes any exterior sitting areas or designs in their plan set so you can include it in your original budget.)
 - Interior - Lights, trim, paint, doors, door handles, closets, shelving, flooring, kitchen cabinets, countertops, appliances, backsplash, cabinet knobs, windows, fireplace design, crown molding wainscoting, faucets, caulk, grout, stair posts and railings, tile in bathrooms, toilets, vanities, showers, tubs, etc.)





The Construction Process

- Garage (finished drywall, heated, custom features (rooftop, basketball hoop, double tandem garage space))
- Understand your builder's system and timeline - Your builder will be very specific with their timelines and vendors you are able to use. Make sure you hit your contingency dates with the material selections. Some builders will want to know the paint selections on day one while others will not paint until the last month. Be sure you are clear and make no issues hitting your timelines.
- Demo and Excavation - Once your permit has been approved your builder will be able to send in the proverbial troops to start excavating the property to be ready for proper installation of foundation. Depending on the amount of dirt that will need to be removed and if you are taking out an existing house this process can take 2 weeks to a month for a typical lot, longer in rural areas.
- Foundation - After the excavation has been approved and the land matches the proposed survey of the upcoming house then your builder is free to start pouring your foundation. The concrete pouring is where a high percentage of your construction costs will come from. In general this process should take another week to two weeks, but it could be recommended to sit longer depending on the temperature when you pour.





The Construction Process

- Framing - Once your foundation has sat long enough and again passes the next inspection your builder will send in the framers to start putting your house together. This process can take 30 to 60 days depending on the size of the home, the design of the home, and again the weather. Your costs will significantly change based on the elevation of the home that you choose, with more unique designs requiring longer labor hours for framing and more steel to support the structure. Your framing crew will also be responsible for installing the windows.
- Rough Installation - Once framing is complete and has passed the next inspection it is time to start the “guts” of the home. Your builder will coordinate with the tradesmen to assure that all electrical, plumbing, HVAC, and green products are properly installed per the plan set. It is likely that your builder will have wanted you to select majority of your light and plumbing fixtures by this time to make sure the rough installation behind the walls is complete before the drywall is installed to avoid having to cut into the walls afterwards. This process can take 30-60 days.
- Exterior - Your exterior installation will likely be occurring at the same time as rough installation, (roof, siding, stone or brick work and another other custom features selected with your architect).
- Insulation - After your rough tradesmen have passed all of their inspections your builder will then order insulation to be installed.





The Construction Process

While all builders are required to pass the city codes of insulation the green codes will determine the timeline and ultimately costs to you for making your home more efficient before the drywall is installed. Any certifications for energy efficiency would need to be documented and tested at this point as well. This process is usually complete within two weeks.

- Drywall - Once all insulation installments have passed your builder will order drywall to be completed to cover the guts of the house. Again your energy efficient code requirements will be present at this time. This process is usually complete within two weeks.
- Finish installations - It is at this point that your house will start to come together. Now is when all of your hard work in selecting items will payoff and you will get to see your house come together. From paint to flooring, kitchen to bathrooms everything will be installed one piece at a time. This process can take 45-90 days depending on the detail work and designs that you have selected.
- Trim installation - No, not the trim for the baseboards. This is when your tradesmen for plumbing, HVAC, and electric will return to the home to install all fixtures, granite, vent covers, and plumbing supplies. It is usually at this point that your home is within 21 days of completion.





The Construction Process

- Clean and Punch List - Once all tradesmen have completed their jobs your builder will remove all covers from the flooring and cabinets and start the cleaning process. Construction dust is present throughout so your home will appear dirty, but have no fear. Your property will be properly cleaned, including your duct work, and ready for presentation. It is typically at this point that you start to cry. In all seriousness, this is when you would have any final touch ups or punch list walk through completed before you close on the home.
- Closing - Assuming you have done everything needed by your lenders request you will be ready to officially take your final steps towards making this custom designed house your very own home! Once again depending on the type of financing you completed you may be required to complete a formal closing, or if you used cash then you will simply need to have your waivers completed by builder and the house will be all yours!





The Construction Process

- Post Closing - Make sure you fully understand your warranty that your builder has provided to assure that you know when to contact your builder. In all likelihood they have specific timelines set for you to follow up with them for minor repairs and a direct contact for something major. Also, you should know once your minor warranty expires and when your major mechanical warranty expires. Something like a paint repair may not be covered in 90 days, but a broken dishwasher may be covered.
 - If you enjoyed your experience with your builder you have one more job to do, be a raving fan and let others know about your experience.





Conclusion

Buying a house can be one of the most stressful transactions that you will go through your entire life. Building your very own custom home can add an entirely new level of stress. This is why it is important that you understand the steps that you will need to take when choosing to build your own customized home. When you have the right professionals involved and a builder that will give you clarity and communication every step of the way it makes your transaction run smoothly and your expectations of the final product will be exceeded. We hope this report gave you more clarity towards your decision to build. Should you have any additional questions about ways you can build your own customized home feel free to reach out to us at SGHomeBuilders.com, ryan@SGHomeBuilders.com or call 847.602.7641.

