

## Frequently asked Questions

Q&A How long does it take to build a custom home?

A&A It generally takes 7 months after the permit has been issued. Depending on the size of the home, weather, and other variables, there may be a variance of up to 60 days from the average.

Q&A How much does it cost to build a custom home?

A&A There are as many answers to that question as there are houses. Typically a custom home averages about \$150+ per square foot and will increase or decrease according to the items you choose for your home.

Q&A What are some of the items that influence the final cost of a custom home the most?

A&A From our experience, these items have the greatest effect on a finished home price: kitchens, floor coverings, type of windows, type of roof system, type of siding, size of decks, complicated floor plans, excavation, and finishes. There are other influences simply because each house is typically unique unto itself.

Q&A How does the design process work?

A&A Our designers will take the basic floor plan you have in mind, and work with you to plan to your specifications. If you don't have a floor plan in mind, we have several designs that we can start with and make changes to suit your desires.

Q&A How will I know if what I am designing will work on my lot?

A&A The only real way for your dream home to end up as you envision, is to have someone walk your lot with you, looking for factors that will influence design and costs. We have a checklist to go over while on your lot, to help eliminate common problems encountered during design and construction.

Q&A Where do we begin the process of building our dream home?

See our Ten Step Buying Process!

Q&A How do I avoid being overwhelmed by the details?

A&A As with any sophisticated organization of men and materials, knowledge, experience, dedication and discipline contribute to the effective accomplishment of the task. The key is breaking down the total objective into manageable groups of steps that will be completed in a logical, organized manner. Generally, the builder you select is the critical component in this process. If you don't have a home plan we will help you find one or provide our designer to prepare a preliminary design. With a preliminary plan we can provide estimated pricing to determine if you are within your budget comfort level. Many times we can help you find a lot or direct you to someone who can. Not all builders have this diversity of skills and experience. Some only build, so you need to determine the capabilities of the builder you are talking to and, where he lacks experience, obtain the professional help you need.

If you recognize that the builder is disorganized and overwhelmed by the details, beware. In this situation you will not be focusing on your responsibilities, you will be more worried about what is not happening or happening incorrectly. The absolute key to any design-build process is organization and information flow. The process is intense and stressful enough without the additional worry.

As with most matters, many of your selection decisions hinge on cost. A knowledgeable builder and his professional staff can help you sort through the daunting list of options in a rational manner. If he doesn't know the approximate cost of an option he can certainly find it. Only with accurate and complete information can you make confident decisions.

Q&A How do I select a builder?

Selecting a builder is the most important of all decisions (of course, we may be biased here). In addition to experience, skill, dedication, and honesty, he needs to relate to you and your family. You can determine his qualifications for your project by doing any or all of the following:

- Check references by talking to homeowners and business associates.
- Inspect in-process and completed projects.
- Meet with him and his staff.
- Call his key subcontractors and suppliers to determine the quality of his working relationships.

At Carlson Homes, we feel the builder client relationship will last not just for the design and build but most likely as long as you live in your home.

Q How can I be assured the value of the project will equal or exceed the cost?

A Project value results from incorporating the most broadly desirable components and finishes, including land. If you obtain these desirable components and finishes at a fair price value will equal or exceed the cost.

If a financial institution is providing the construction funds they will require an appraisal of the project. The appraisal will provide a fair valuation of the project.

Another factor that influences value is the appropriateness of the item for the project and how it relates to the total project value. For example, spending \$4,000 for a pedestal lavatory in the powder room of a \$250,000 home probably will not increase the value accordingly. However, installing the same sink in a \$1,000,000 home that has upgraded fixtures throughout probably would. How do you know what to select? An experienced builder, architect, realtor or interior designer can lead you in the right direction.

Q How do I ensure I can build my house within my budget?

A Develop realistic expectations by researching new homes in your area and inquiring about the elements that interest you. You need to get comfortable that your budget will allow you to include the features and the space that you require. A reputable, experienced builder will be able to provide you a preliminary budget range based on your desired size, layout and features. We always provide preliminary budgets that identify this cost range to help you start at and stay within your comfort zone. As plans progress, so do the cost estimates. At any point, you will be deciding whether the cost of a feature or size of an area is worth the additional cost. Keep in mind that from the start of the process it will likely be six months or more to complete the planning phase and another eight to twelve months (or more) to build, so inflation will be a factor. Try to leave some room in your budget for this, as well as other items the builder probably does not include such as landscaping and window coverings.

Q When should I impose my personal tastes and desires?

A We suggest to clients that if they are going to be in a house for 5-years or less stay away from really unique features that don't have broad appeal. This could include interior finishes or spaces that aren't customary. If you are planning to live there 10-years or more, you can exercise much more freedom in your design and selection without the short term retail concern.

You will apply this thought process for each area of selections. It can get complicated, however, with experienced advisors you can proceed with confidence.

As a builder, we go through this exact process each time we do a speculative home or build our personal residences. Since it is our money, we know how you feel. We are always trying to identify the most appealing features at the best price...and we utilize professional architects and interior designers to help us in this process.

Q&A How can I easily determine if my desired plan is compatible with my lot?

A&A Lot size and topography are usually the most limiting factors. If you have a 100' long house with an end load garage, you probably won't fit on a 120' wide lot. With setbacks and turn around requirements the house will be too long. A walkout ranch won't work very well on a flat lot. Depending on how much and which way the lot slopes will govern the type of home that utilizes natural features best. An experienced builder or architect is best suited to make this preliminary evaluation. We provide this as a free service.

Q&A How can I find a lot that is suitable for my plan?

When purchasing a lot you will most likely be dealing with real estate professionals. If either the listing or selling agent has land experience he can make this evaluation. However, it is also advisable to seek the advice of an experienced builder. The more difficult the project the more professionals you might need to involve. If topography is not easily discernable or there are significant grades you should have a surveyor prepare a topographic map and so on. If a licensed architect is preparing the plan, he should be involved. Usually site features are not that ambiguous and the builder/ realtor evaluation is adequate. If you don't have a realtor involved, it becomes even more important to have a builder assist you.

At Carlson Homes, we provide a free lot evaluation.

Q&A Do I need an architect to develop my plan?

A&A The complexity of the project should be the determining factor as to whether you need an architect or plan designer. Many times we will have a plan that meets 90% of your needs. In that case, we will usually have our designer modify the plan to meet your specific goals. We often times start with a clients wish list and some pictures from a magazine. Starting with an existing plan also allows the builder to provide a quicker estimate of the pricing.

On more complicated and unique projects the architect is much more critical to the process and may be the first professional engaged. We believe that the most effective design scenario involves both the architect/designer and builder from the beginning.

Q&A How do down payments work?

A&A Each builder is unique. However, at Carlson Homes we think the most fair way is to sign a design agreement. This is a preliminary agreement covering costs and time invested during the design phase and is sealed by a monetary deposit. The deposit is provided to cover the estimated costs of getting the project plans ready, which includes soil exam, preliminary design, permits, etc. Upon completion of the plans, specs, selections and bidding, a contract will be prepared for signature. At any time during the process, if the circumstances change, either party may cancel the arrangement but the deposit is non-refundable. This protects both parties from significant damage. In our mind, it is much easier to void a design agreement for \$5,000 to \$10,000 then to rescind a contract for \$500,000 to \$1,000,000.

Sometimes builders will require buyers to invest 5% to 15% as a down payment with a builder without really knowing what the final package will cost or include. Conversely, some builders may expend thousands of dollars on a client's project without any kind of signed commitment from the client. These arrangements have the potential to be unfair to both parties.

The main issue here is that you understand the implications and requirements of any agreement you sign, especially when you have expended funds.

Q&A What selections should I expect to make?

A&A Theoretically, you have the right to make all the selections in your custom home. From a practical matter, you will probably be involved in the selection of only a few of the construction components and most of the finishes, which are loosely defined as "all the things you can see". You should choose a builder who incorporates as standard, most of the features you are looking for (i.e. 2x6 walls, insulation packages, wiring packages, etc). By doing this, you will minimize the effort involved in selecting items which are outside the builder's envelope. Also, the builder won't always be saying "that will cost you extra". This can be uncomfortable for both parties as well as being inherently inaccurate in estimating the final cost.

Q&A How do the selections get made and when?

In our office, we assist the client in making selections that deal with construction components such as windows, doors, roof material, appliances and similar items. Items generally dealing with color, texture and finish are handled by our selection coordinator or your interior designer. We feel our professional selection coordinator is best suited to assist you in developing the look and feel that compliments your lifestyle. The selection coordinator is more aware of current style, trends, sources and techniques which provides you maximum versatility and confidence in your selections.

In order to minimize unknowns and surprises during construction, we attempt to have most selections made prior to contract execution. It is, after all, much easier for us to set an appliance allowance if we know what appliances we are including than it is if we are guessing at what appliances you might want. This puts an additional burden on our clients during the design phase...but it eliminates much of the confusion, stress and sticker shock during the construction process.

Q&A What should I know about warranties?

A&A Equipment and product warranties (i.e. appliances) received by the builder are fully transferred to the client. The builder will not usually provide any extended warranty related to these items.

For items not covered by these warranties Better Business Bureau and the National Association of Homebuilders has published a document titled "Residential Construction Performance Guidelines". This publication identifies "observable deficiencies", the related "performance guideline" and the "corrective measure". This publication attempts to reduce the subjective evaluation to an objective measurement. This is effective up to a point. There are always issues that arise which are not specifically covered and like beauty, much of it is in the eye of the beholder. When a questionable item arises, an agreement between the client and builder will need to be reached as to whether a deficiency exists and if so, what is a reasonable resolution.

The inherent problem with custom homes is that they are handmade using thousands of individual parts installed under all sorts of conditions by varying levels of skilled craftsmen. There is no perfect component in a home. The question is, what level of perfection do you expect in the home you are having built? Before you commit to a builder, look at some of his existing product and determine if you will be satisfied with his level of finish work. There are differences in "fit and finish" from one builder to the next, it is worth your time to investigate and inspect closely.

The normal time frame for warranting construction and cosmetic deficiencies, other than product and equipment warranties, is one year for parts and labor. Our personal commitment is that we will correct any valid construction deficiency as long as you live in the home.