



7 THINGS YOU MUST KNOW BEFORE DESIGNING A NEW HOME



Let us guide you through some important steps prior to embarking on your home building journey.

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1

Know Your Budget

You are not negotiating the price at this point in the process.



Before you speak to a builder, you need to know your budget. Know what you can afford and what you are comfortable spending.

Keep in mind that these two numbers may be different, so decide on your limit for the design & build of your new home.

Once you have decided on a budget, you should disclose this amount in the design process, so you can avoid creating a design that you cannot afford to build.

A professional builder will make sure they design you a home that suits your lifestyle and fits your budget. We pride ourselves on making sure we align your budget AND needs.

Contrary to popular belief, you will not pay more for a home just because you disclose a larger budget. You are not negotiating the price at this point in the process.

By discussing your budget openly with the builder at the beginning of the project you'll be able to find out if what you're seeking is achievable.



If the size and quality of the home you are looking to build is not within your budget, a professional builder can make recommendations on where to cut back based on your wants and needs.

Establishing the fundamentals before the design work commences is paramount, otherwise you will find yourself constantly redesigning your home and struggling to hit the target budget.

If you are in the fortunate position of not being restricted by a limited budget, the design brief should focus on lifestyle and quality of finishes.

However, if budget is your #1 priority, limiting the overall size of the home along with the architectural flare of the design will be important aspects to take control of early.

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Know Your Deadline

Do you have an immovable hard and fast deadline for handover? Do you need to be in by Christmas or before a lease expires on a rental property?

If you have a fixed deadline then it's a really good idea to share this with your builder before starting the design.

The entire design process can take on average 3-12 months to complete depending on the complexities of the design and the approvals required and permits needed.

A professional builder will be able to provide a tentative timeline once the initial design has been completed. At Cypress, we keep your preferred timelines in mind throughout the process.

This will enable you to visualize how long all the different processes such as home design, bidding and financing, and permitting will take.

You'll also see the impact they will have on the start date and ultimately the completion date of your new home.

Another important thing to keep in mind is that custom home builders only build a limited number of homes a year due to the high level of supervision required.

This results in limited start dates becoming available for new builds.

Delaying decisions (like selection of your finishes) that a builder needs in order to finalize a contract proposal could result in valuable missed time during your build process.



3

Know Why 80% of Designs Never Get Built

It may surprise you to learn that over 80% of designs never get built.

Why? They came in way over budget.

The reason for this is simple. Architects design homes that meet a consumer's request rather than their budget.

While budgets are generally discussed with architects at the briefing stage, building designers and architects have little knowledge of building costs and generally underestimate the cost to build a new home by 50-300%.

When you are making one of the biggest investments of your life, that is a huge amount of money to find, which is why these designs never see the light of day.



The solution to this problem is quite simple, INVOLVE your builder at the design stage.

Let your builder be involved in the design phase, so that you can design a custom home that is both practical and budget-conscious.

Only a residential home builder with ample experience has the experience to foresee the potential cost implications of a difficult site or architectural features.

While you may be paying up \$5,000 for an architect to design the new home, maybe even more, most professional builders will consult on a project for as little as a few thousand dollars.

Most custom home builders provide a design and build service, which means the consultation service is then generally included free of charge if you sign a build contract with that builder.

Getting your design and specifications right in the beginning will save you thousands of dollars in potential redesign fees and months of wasted time.

"Why? They came in way over budget."

Know Who Will Own The Copyright

In most cases when you start the design process, regardless of how much you've paid, the design is owned by the company you have engaged.

In some circumstances it is possible to negotiate ownership of the copyright.

Either way you need to be clear before you start who owns the copyright and what the implications are when it comes to construction.

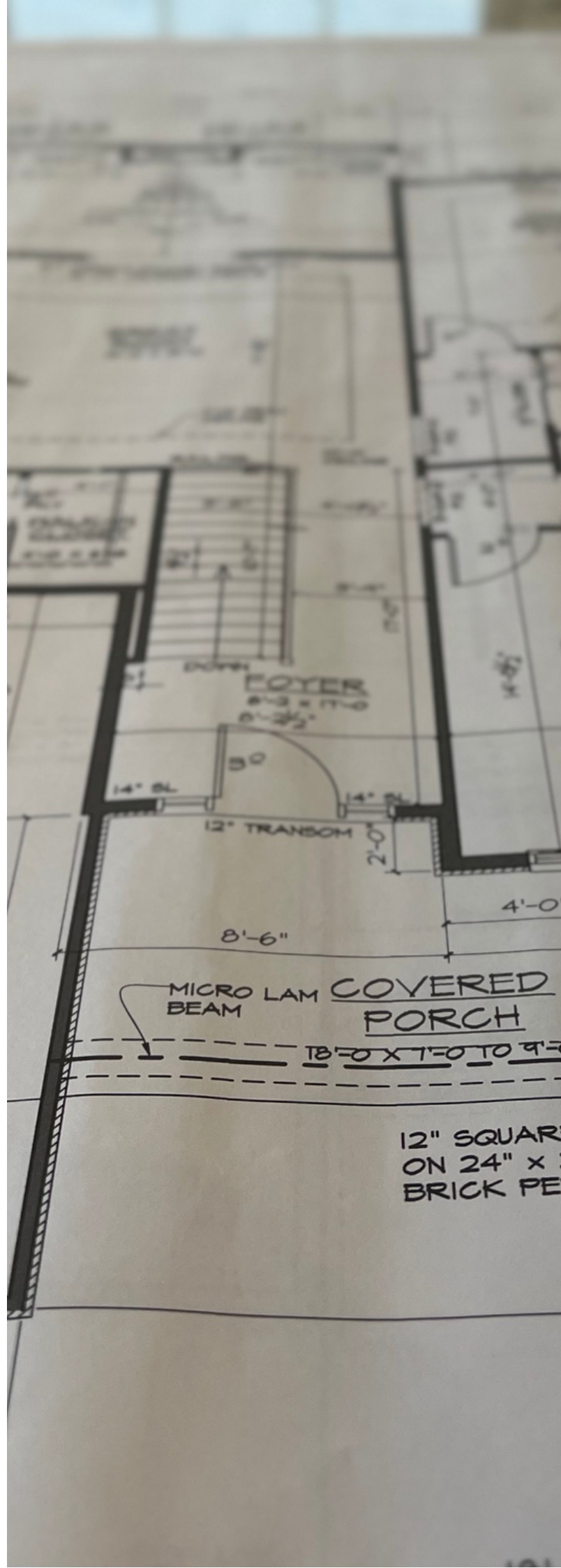


If you find yourself in the situation where you don't own the copyright and you show your plans to another designer, then you could be opening yourself up to copyright infringement.

A common misconception is that you only need to change a design by 20% in order to avoid copyright infringement, however that is simply not true.

Copyright covers the ideas contained within a design rather than the overall design itself.

There are many instances of building companies providing designs to clients who have taken another builder's designs to another builder. That builder may make some changes the consumer doesn't know about or "catch", and they sign a contract for a lower price. Unfortunately not only does the consumer not receive the same end product, this practice may be illegal and can result in legal action for damages as well as construction being halted.





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Know When Selections Are Due

While it may appear there is no rush to decide on the color and style of your bathroom tiles before you sign a building contract, it's important to realize selections have the potential to delay your project.

Windows, cabinets, and appliances, for instance will have to be ordered weeks to months in advance, so it's important to make all of your selection choices during the design stage of your new home.

Once a building contract is signed a builder will place hundreds of orders with subcontractors and suppliers in order to lock in pricing. This ordering and procurement process occurs in the background at Cypress, taking the stress off of you to be able to focus on your selections.

If you enter into a contract with simple or unrealistic allowances, it's quite likely that prices will rise between contract signing and orders being placed. At Cypress, we pride ourselves on providing you an accurate and thorough bid on the front end of the project, so that change orders are minimized as much as possible.

Faced with endless opportunities to add more and more features to your home it's easy to get carried away and over capitalize. Making changes to your selections after signing a building contract can incur both delays and change orders, as new orders have to be placed and delivery times may impact the construction schedule.



A modern dining room with a wooden table, black chairs, and a large window overlooking a snowy landscape. A wooden chandelier with multiple light bulbs hangs above the table. A woven rug is on the floor, and a planter with greenery sits on the table.

Know that Variations can add Cost

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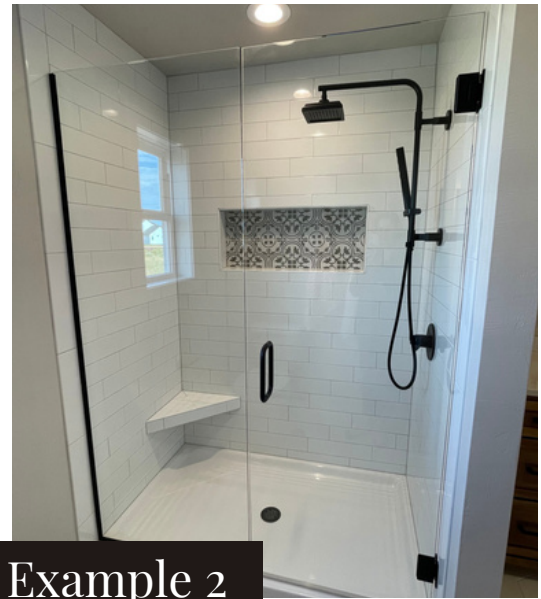
Variations cost builders time and money. Therefore, when you make a change to your building contract, expect to have your completion date possibly extended and a potential charge to be made for the delay and the cost of any additional work, in addition to possible administrative fees.

Generally, any variation made after contract will involve delays either through additional work or as a result of delivery times. Before you sign off on any variation, check how many days may be added to your build timeline. For instance, changing your shower head could involve more than simply ordering a different fitting.



Example 1

Mike decided to change his wall shower to a head drencher soon after signing his building contract. As the plumber had not been to site to perform the rough in, the plans were altered, and the orders were easily amended which meant there were no delays and Mike simply paid for the cost difference on a change order.



Example 2

Lucy decided to change her wall shower after the plumber had already completed the rough in. Although the bathroom had not been tiled yet, the plumber was required to come back to site as the pipes needed to be repositioned before the tile work could be started. This resulted in a one week delay to the schedule, a charge for the plumber's time, along with the cost difference of the shower head and a change order fee.

Although the variation was the same, the cost of the variation was significantly different for Lucy simply because she delayed her decision for too long.

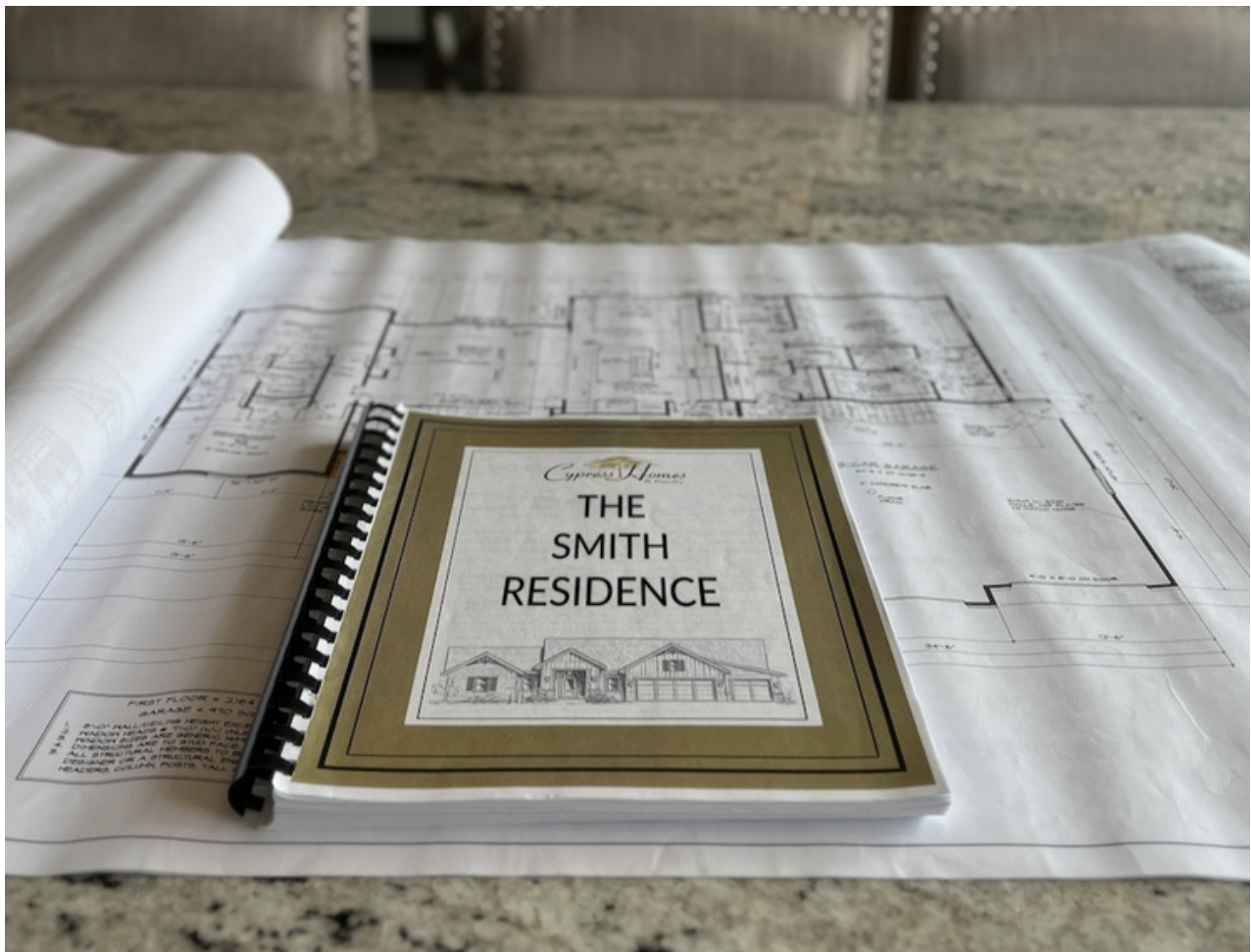
The end product was the same, though the journeys to get there were quite different.


7

Know How Many Pages a Contract Proposal Should Be.

A contract proposal is a great indication of how smoothly your project will run. Building a new home is about planning and organization. If your builder is unable to provide a detailed list of specifications (20-30+ pages), like Cypress will, along with the estimated timeline, it's highly likely your project will experience delays.

Never Sign A Contract Based on a 2-3 page quote.





It's important to realize that there are a lot of residential home builders who are simply carpenters with very little business experience. While they are great trades people, honest and hardworking, unless they have the systems in place that are required to run a building company, they rely on memory and instinct when building your home.

The average custom home involves over 200 orders to be placed with multiple suppliers and subcontractors who then have to be coordinated on an exact timeline.

It's a complex operation that requires plenty of forward planning using a documented construction schedule. If your builder cannot provide a sound estimate at the contract signing, it's an indication that your job has not been planned and scheduled in advance.

How To Decide

On A Builder Prior

To Design

Start by doing your initial research online.

Check out builders' websites and social media. Look at their google reviews, customer testimonials, awards, the information they are providing and the organizations they belong to.

Narrow it down to a list of no more than 3 custom home builders who specialize in building the type of home you are looking to build, making contact via a website contact-us form or office phone.

It is here that you may probably begin to recognize differences in the builders. Builders who have poor communication with their clients also tend to have poor communication with their suppliers and subcontractors, which tends to lead to more costly delays.

At this stage you are looking for reasons to disqualify a builder from your shortlist if they don't get back to you in a reasonable time frame either by phone or email.

For the builders that do respond, invest 15-20 minutes into an initial phone conversation. You can also set up a meeting in the office or at a finished home. We expect that the builder will be asking you a lot more questions than you ask them at this stage, so that they can understand the desired outcome.



Ready To Speak To a Professional Builder?

Call us Now At: 920-734-2324

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