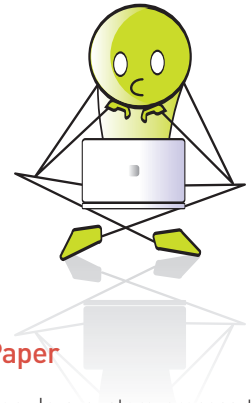
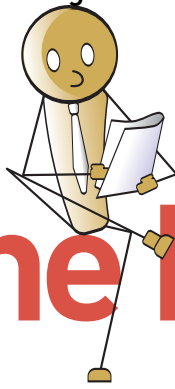


YOUR **End of the Deal**



Reviewing the Responsibilities of Builders and Buyers

BY CAROL SMITH

Effective communication and accurate information are prerequisites of a smooth new home experience. Home buyers and their builder enter into a kind of partnership where each has tasks to perform, more or less in a particular sequence. Those tasks vary among regions based on local practices. Key responsibilities include the items described below.

HOME BUYER RESPONSIBILITIES

FIGURE: **Funds**

Even the buyer of a two million dollar home has a budget. Whether your budget is two million or another magic number, knowing what you can (or are willing to) spend from the beginning eliminates surprises and disappointment. A mortgage payment you are comfortable with is a great feature to include in your new home.

DREAM: **Features & Choices**

Develop a list—either on paper or in your mind—of design details you want. By gathering your thoughts ahead of time, you will be better able to articulate them to the builder you choose. As the process progresses, you will be called upon to make many choices, typically within a defined schedule. Gathering ideas in advance makes this easier and faster, allowing your builder to proceed in an orderly and timely manner.

LOOK: **Quality**

Study the quality of potential builders carefully. Notice the attention to detail in their homes, in care of the job site, paperwork, and conversations. This is the level of quality you are buying. Although building codes and manufacturer requirements establish baselines, genuine craftsmanship is the result of close attention to detail. A passion for excellence shows in every aspect of a company's efforts.

READ: **Paper, Paper, and More Paper**

Take time to read the agreements you sign. In a custom process this normally begins with a design agreement and then progresses to a contract to build, limited warranty, warranty standards, and maintenance information. Quite often home owner association materials will add another couple of inches to the stack. While you are unlikely to find these listed on the best sellers list, a working understanding of them can be critical to a successful experience.

WATCH: **Site Visit Protocols**

Your building firm will advise you of their site visit policies. These typically include safety procedures and may involve making an appointment prior to your arrival. If you have questions, channel them to the designated person on the builder's staff. Discussing details with on-site workers causes confusion and mistakes, so follow the chain of command. Your builder will have an inspection system to catch errors. If you've pointed one out, several weeks may go by before it is corrected. The builder should give you some idea of the response time involved.

MOVE IN: **Delivery Dates**

The settlement date almost always begins as an estimate, usually expressed as a range of dates. These dates can and do move depending on weather and many other factors. Your builder should keep you informed as the target delivery date moves about. As the home nears completion, a firm date can be set. New home orientations are commonly scheduled to take place several days prior to settlement so that the builder can address any last minute details noted at that meeting.

HOME BUILDER RESPONSIBILITIES

PLAN: **Orchestrated Steps**

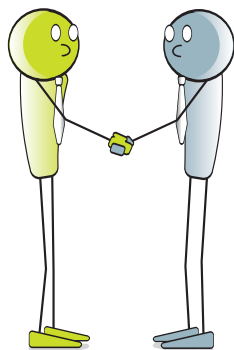
The complexity of the new home process can seem overwhelming to buyers unless you outline the steps clearly and maintain good communication along the way. Begin with a well-organized home owner guide that describes your processes and procedures clearly. Discuss this information using meeting agendas that are timely and relevant. While no two buyers navigate the process exactly the same way, with a comprehensive outline to work from, progress can be steady and everyone knows how far you've come and what to expect next. Be up front about time frames and the reason behind them; most buyers do not know about the eight week lead time to get cabinets. Avoid having cut offs seem arbitrary by explaining them.

DOCUMENT: **Nail the Details**

Ensure that your business documents are clear and readable. Once the basic contract components are in place, add detailed notes as decisions are made and conversations take place. Change orders, when applicable, should always be reduced to writing and should describe every detail of importance to your buyers. From blueprints and specifications through move in and beyond, a solid paper (or electronic) trail fosters a successful relationship.

EMPATHIZE: **Answer all Questions**

When you know something well it is difficult to remember what it is like not to know it. Keep in mind that your buyers are usually not also builders themselves. Much of what they encounter in the new home process mystifies and frustrates them. Anticipate and plan for questions along the way. Note buyer questions along the way, recording the date and time you received them and when you provided an response. Keep these materials as part of your file on the home. Over time, watch for common questions and add these points to your home owner guide and meeting agendas so future buyers won't need to ask.



WELCOME: **Site Visits Are Inevitable**

Unless your buyers live a significant distance away, expect their frequent visits to the home site during construction. Prohibiting such visits altogether causes worry and doubt. Instead, share site visit guidelines with your clients early in the process. Your goals are to ensure their safety and orderly work progress on the job. Educate trade contractors about who to refer buyers to when they have questions.

PREDICT: **Provide Realistic Progress Updates**

Anxious to move in, buyers often do not think about the fact that when they get the home, you get the money. Naturally they want the home as soon as possible, or by the date school opens, the new job starts, or an upcoming holiday. While you may be unable to meet such deadlines, you can and should provide realistic updates as construction progresses. A confirmed settlement date with a minimum of thirty days notice (more is always better when possible) is a reasonable expectation for buyers to have.

CELEBRATE DELIVERY: **Complete and Clean**

Detail the homes to bring them to move-in ready condition for the orientation. The pride you enjoy as you present a completed home to excited buyers is worth the work required to accomplish this. Conduct an educational tour with an emphasis on routine maintenance, and details of warranty coverages. These details should be included in your home owner guide for later reference.

The many details involved in building a home create just as many possible disconnects. Most of these are avoided with good two-way communication. Thinking of this process as two sets of intertwined responsibilities is a great place to start a successful experience. ■

As a best-selling author and award-winning columnist, Carol Smith has impacted countless homebuilders since 1986 with her practical insights on customer service. Her newsletter, **Home Address**, is devoted exclusively to home building service issues and is available to builders and buyers alike at www.cjsmithhomeaddress.com.

