

New Client Orientation

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Building a custom home should be a creative and enjoyable experience. The process of getting from Point A to Point B may have many similarities from one job to another, but the actual plans, land, and material specifications are uniquely yours.

Our clients come to us at varying stages in the pre-construction phase. While we prefer to be involved from the start of the design stage, we are pleased to bring our services and expertise to the table at any point prior to actual commencement of construction. . If you are already working with an architect, we can provide not only consultation on “field technology” and cost issues in regard to the site, but to the plan and/or building materials as well. Our involvement helps to ensure that financial realities do not burst the dream home bubble.

Allowing George Custom Homes to take care of hiring the necessary design professionals (i.e., designers, architects, landscape architects, engineers, etc gives you access our pre-qualified professional contractors. This group is fully versed in what materials work best for local conditions, codes and building practices. This also limits the possibility of unusual costs, delays, or lack of appropriate service.

We believe the building process involves teamwork between the client and the builder. When selecting a custom homebuilder, you must understand it is almost impossible to compare apples to apples **unless you have a complete set of Plans and Construction Specifications**. Unlike a production home where a model is duplicated, you are really entering into a unique process. Be aware that every house has certain fixed costs and that cost-per-square-foot begins after these basic costs have been figured. You will find there are differing opinions on how much a home should cost per square foot. Each individual has his or her own idea of what should be included. Does the price per square foot include appliances, light fixtures, driveway, landscaping, well, septic, etc.? How much does a Chevy cost per pound compared to a Cadillac?” or ”How much does one grocery bag full of food cost per pound compared to another bag?” As you can see, there are many variables that could be considered when using a cost per square foot basis.

The more organized your builder is, the more organized you can be in making the selections, which in turn creates an enjoyable process. A well-detailed set of Plans, Decorator Selections, and construction specs will eliminate many areas of concern. The selection process and the design process are listed below as distinct and separate tasks. Completing both tasks will assure a realistic and accurate quote.

Vague specifications lead to vague pricing. A reputable builder will not estimate low just to get the job. To secure the job, other builder’s may quote a low price initially, and then create excessive and expensive change orders later. Organization and forethought are the keys to a great homebuilding experience.

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LOT SELECTION PROCESS

Searching for the perfect lot can be extremely difficult and time-consuming. George Custom Homes, Inc. will be able to save you time and energy due to having access to many fine building sites. We are also willing to work directly with you and/or your real estate professional to find the perfect home site. We will examine the land for ease-of-building, impervious coverage issues, topography, views, prevailing breeze, drainage and other possible conditions.

We have constructed projects on all types of building lots including flat lots, sloping lots, wooded lots and rural lots requiring septic systems, lake water systems and well water systems. This hands-on, practical, real-world site planning experience will save you hours of worry, frustration, plus a tidy sum.

THE DESIGN PROCESS

You may come to us with a wish list, “napkin sketch,” or a complete set of construction drawings. Where does the actual design start? With YOU! Your lifestyle, your preferences, your needs, photos, magazine pictures...these will all help us get started on the right track. Here is a sampling of what you might want to consider and how you might proceed:

- Gather your ideas into a binder or accordion file
- Take photos, tear out magazine pictures, note favorite homes
- Think about how you use the rooms in your current home
- Anticipate future needs and family changes over time
- Visit showrooms and gather product information
- Visit home shows tours, parades and open houses

Design, Selections, and Cost estimates should not be treated separately; coordinating them can save a lot of heartache and hassle down the road.

Clients' budgets are a major consideration in creating workable plans and specifications. In the beginning of the design phase, construction costs can be conceptualized in broad terms; and after the plans and specifications are finalized a contract price be arrived at. At each stage, we'll work with you, suggesting alterations and options which can be used to achieve the desired budget.

For this reason, George Custom Homes, Inc. cannot give a set price of “X dollars-per-square-foot” cost until all the questions associated with the complexity of design, foundation, roofing, porches, trim, fixtures, flooring, counter top materials, etc. are known. All of these things make a difference in cost and will vary from one project to the next depending upon client preferences. Every project is priced

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according to the materials, labor, fees, and supervision which will be required to complete that particular project. The plans and specifications determine these variables. **Technically, there are no standard items; everything is custom.**

Conceptual floor plans are the first step to establish the “spaces and places” feel for your home. We also can offer computer generated images, so you can visually walk thru the rooms in your ideal home. After the floor plan is agreed on, the views of the exterior elevations and the site plan can be developed. Later we add the cabinets and electrical details.

By now, we have begun to fill in the Construction Specifications. At the same time, you’ll start filling in your Decorator Selections.

For clients who need to secure financing, we can send the construction drawings, specifications, and projected budget to your lending institution for appraisal and final interim financing approval.

THE SELECTION PROCESS

In the early stages of the design process you’ll be making the many selection decisions. This will involve choosing the style, color, brand, finish, etc. of hundreds of items that go into the house, which include but are not limited to front door, countertops, plumbing fixtures, appliances, and exterior materials, etc. Consideration should be given to tile, carpet, how many paint colors, cabinetry (wood type), lighting fixtures (hanging or wall mount), bath and door hardware. When making decisions about your exterior materials and colors, we suggest you provide us with photographs and/or the addresses of local properties that catch your attention.

Since there are literally hundreds of variables in building a custom home, we have a links to product information and various showrooms to visit. Our “default” selections are proven quality and feature classic finishes and neutral colors. Default selections will be used to create your budget if you have not made a selection. Final selections will need to be reviewed and approved by you prior to placing the order.

To assist you in your decisions, we also offer 10 hours of time with one of our decorators. We acknowledge that your house is a large investment, and an experienced decorator can save you time. The decorator can also assist you in furnishing your home, if needed, on a completely separate basis and often at a nominal charge.

In order to maintain the construction schedule, it is critical that the selection process be completed in a timely manner. Delays in selecting finish items often lead to delays in the completion of the project. To offer some “wiggle room,” if you are still in the process of finalizing some Decorator Selections at the time the contract is being signed, we can use an agreed upon ALLOWANCE and later adjust the pricing via a change order, when final determinations are made.

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FINANCING

Some clients pay from personal cash reserves, although most clients take draws on an “interim construction loan” obtained prior to construction beginning. George Custom Homes, Inc. has relationships with local lending institutions that would welcome the opportunity to talk with you. We receive no form of compensation from these institutions other than quality service for our customers. Please let us know if you would like our assistance in these matters.

During the construction phase, George Custom Homes, Inc. will make “progress payments” or “draws.” Each payment will be credited to the Contract Price. The first payment will be made as a deposit at the time of the signing of the Contract. This generally represents 5% of the Construction Contract amount. Lenders credit this 5% deposit toward your loan’s requirement of 10% down. Subsequent payments will be made based upon stages of completed construction as shown in the Draw Schedule. Each Draw Request will be submitted to you and your lending institution for approval. The lending institution will send out an inspector to verify completion of construction stages. The Draw Request must be signed by you and faxed to the lending institution ASAP.

Do you offer financing?

No, and one reason is that we don’t want to markup the financing as production builders must.

Financial institutions will give you, as a home buyer, a better interest rate, discount points, closing costs, etc. than they will give any home builder.

Additionally, during interim construction, you only pay interest on the amount drawn to date, not the whole loan amount. This can save you a lot of money.

How much does interim interest cost?

On a million dollar house, you’d be looking at approximately:

$\$500,000 \times 6\% \times 75\%$ (for a 9 month building schedule) = \$22,500

This \$22,500 is a write off on your taxes as an interest expense. If you don’t get interim financing (if instead we were your bank) you would not be able to write that off.

We realize this has been a lot of information and you undoubtedly have a few questions of your own. We invite you to give us a call or email and we’d be glad to help you get started building your dream home.