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# Custom Building by a Custom Realtor!

Don't be a Taxi and Key, be a Real Estate Consultant!

The difference between *new construction* and *custom building* is as simple as a custom home has never been built before and therefore unforeseen challenges will happen with each custom build. On the other hand, most new construction is typically done by production builders, that have reproduced a floor plan several times over addressing the known issues. This means most challenges have been corrected as production continues.

## **Who is a good candidate for a custom build?**

Is your client patient and willing to work through challenges? Do they have the time to build and are they hard to get a hold of?

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## **What is a one-time close?**

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**Construction loan** – What is construction loan or a refinance for construction?

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**Expecting the unexpected** - Does your client have enough cash if their project goes over budget and can they prioritize their wants in the custom build?

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**Building costs** - Budgets, inflation, upgrades, and change orders

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**Timeline** - Expectation vs. reality with change orders, weather and materials

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**Types of contracts** - Escalating vs. consulting vs. flat fee

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**Building now vs. waiting**

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## Picking a builder, and a draft person or architect

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**Common mistakes or oversights** - Cost to build, development, landscape, finance, product finishes - dye lot, discontinued products

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## Terms -

Hydrology\_\_\_\_\_

G&D - Grading and draining \_\_\_\_\_

Geotechnical engineering \_\_\_\_\_

Topo - Topography \_\_\_\_\_

Finish grade and elevation differences \_\_\_\_\_

Building envelope \_\_\_\_\_

Building-pad \_\_\_\_\_

Drainage Flow - CFS cubic feet per second \_\_\_\_\_

Water easement vs. flood zone \_\_\_\_\_

Cut and fill \_\_\_\_\_

Virgin soil \_\_\_\_\_

Compaction rate \_\_\_\_\_

3-4" lifts \_\_\_\_\_

Engineer fill \_\_\_\_\_

Caliche \_\_\_\_\_

### **Conversation points - regarding land acquisition**

Understanding the direction of the lot should dictate the design of the home.

Examples: bright kitchen, backyard shade, view, backyard access, & resale ability

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**Common complaints** - concrete and stucco cracks, size of the home after slab has been poured, room sizes, ceiling finishes budget, time-line and delays

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### **Setting Expectations - The key to a successful experience**

Understanding all these concepts will help you set the right expectations.

The right expectations will set you up for a successful closing.