

# A COMPREHENSIVE GUIDE (AND FOUR CHECKLISTS)

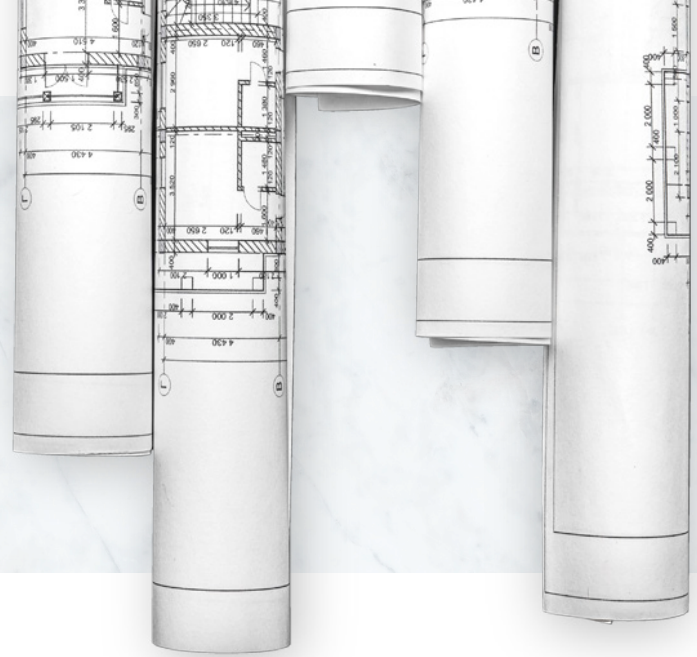
TO CHOOSING YOUR CUSTOM HOME  
BUILDER IN CALGARY



MAILLOT  
· HOMES ·

NATURAL DIGEST  
FORWARD





Beginning your search to find a custom home builder can feel quite daunting. What should you look for in a builder? How can you begin to compare custom home builders to one another? And how do you finally decide who you will choose?

There is a mix of factors that will make one builder stand out above the rest: that perfect combination of price, assistance in lot selection, customer references, financial stability, and the more ineffable sense that the builder is a great fit for you. In this guide, we will give you tips on what to look for in each of the four categories and provide a checklist of questions you can ask to ensure you have the utmost confidence that the custom home builder you selected is the best fit.



## PRICE

It's no surprise that you want to know the complete cost of your custom home. Ensuring that you have a clear understanding of what is included in the quote and what is outside of the scope is a critical part of the process. For every item that isn't included, the builder should be transparent about the additional expenses so you can budget accordingly.

When you receive quotes for the same custom home from different builders, there can sometimes be a large variance between them. The best way to navigate these quote variances is to be aware of what is or isn't included in the presented price.



## HARD COSTS VS. SOFT COSTS

Hard costs are the direct construction costs – things like the materials and labour required to build a home. Soft costs are items like legal fees, management fees, architectural design costs, and permits. Some home builder quotes will seem less costly upfront because they've only considered the hard costs, but you may be surprised by large bills down the line.

## CHANGE ORDERS

Beyond hard costs and soft costs, a change order fee may be applied if you decide to modify your selections down the line. Selecting different finishes can raise or lower the cost, and the margin can be significant between builders.



If you would like to add wainscoting, a custom storage space in your mudroom, or a fireplace, for example, one builder may be able to accommodate the upgrade for a lower fee than another builder.



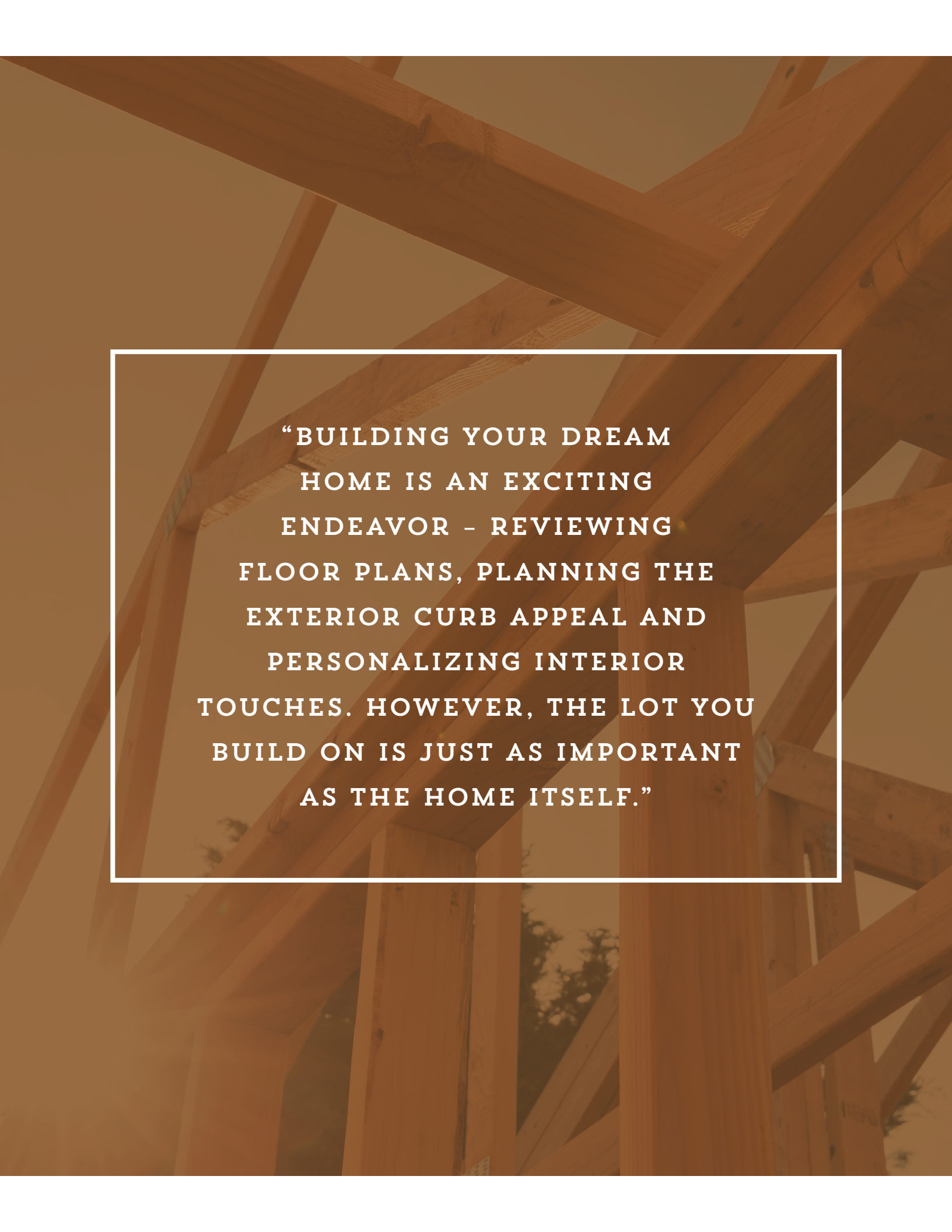
# IS IT INCLUDED IN THE PRICE?

## **HARD COSTS**

- ☐ Demolition of an existing structure
- ☐ Cutting, filling and grading of the lot
- ☐ Excavation of the site
- ☐ Labour costs (electricians, plumbers, engineers, project managers, etc.)
- ☐ Finished basement
- ☐ Garage (if included, is it a standard double, oversized double, triple, etc.)
- ☐ Appliances
- ☐ Finishes (the type of wood used for cabinetry, if/what moldings are included, brand or material of faucets, shower heads, etc.)
- ☐ Water and sewer connection fees
- ☐ Utility hookups (gas, electric, water, cable)
- ☐ Utilities used during construction
- ☐ Landscaping
- ☐ Driveway

## **SOFT COSTS**

- ☐ Architectural design services
- ☐ Construction insurance
- ☐ Shoring of excavation (This process prevents slough ins and protects neighbouring properties during excavation)
- ☐ Structural and envelope design
- ☐ Management fees
- ☐ Permits (if a builder does not include permit costs, ask if they can help navigate this process for you)
- ☐ Legal fees (title search, title insurance, and other closing costs)



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HOME IS AN EXCITING  
ENDEAVOR – REVIEWING  
FLOOR PLANS, PLANNING THE  
EXTERIOR CURB APPEAL AND  
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TOUCHES. HOWEVER, THE LOT YOU  
BUILD ON IS JUST AS IMPORTANT  
AS THE HOME ITSELF.”





## LOT SELECTION

Building your dream home is an exciting endeavor – reviewing floor plans, planning the exterior curb appeal and personalizing interior touches. However, the lot you build on is just as important as the home itself. It can ultimately be the determining factor of how satisfied you are with the end result.

### LAND SELECTION GUIDANCE

Your builder should offer suggestions on what to look for in a lot based on what you'd like to build. For example, they may guide you towards certain lots if a walkout basement is important to you. Or if you've already spotted a piece of land you'd like to purchase, does the builder have anyone on their team that can scope out the property with you to ensure it will suit your needs?

Also, your home builder should be able to explain the next steps to take when it comes to your lot purchase. This is where you'll get all the details of the land including slope, aspect, encumbrances and covenants and the builder should review them diligently.

## IN-HOUSE LOT INVENTORY

Some custom home builders have an inventory of available lots which can be helpful if you are looking for a complete solution that includes lot selection. Because the lots are selected by the home builder they will be in the position to explain how the lot will work for your build.

Some builders will not have an inventory of lots available and you'll need to look for a property privately. If this is the case, be sure to keep your builder in the loop during your land search. Since they know what you want to build, they should be able to provide some insight into whether the land will be suitable for your needs.





# WHAT TO LOOK FOR WHEN SELECTING LAND

## CONSTRUCTION CONSIDERATIONS

- ☐ Is the area subject to flooding with either a high seasonal water table, streams or situated in a low-lying area?
- ☐ Does the land have steep slopes or unstable ground that requires additional foundation considerations, reinforcements and stabilization?
- ☐ Will the area need to be cut and filled to level the land?
- ☐ Is there easy access for construction equipment?

## DESIGN CONSIDERATIONS

- ☐ Can the land's topography accommodate the home you want to build?  
(sloped land for a walkout basement, flat land for a pool or a yard for kids)
- ☐ Is it wooded or open?
- ☐ If it's open, are there additional considerations for wind exposure/buffering?  
Is there additional landscaping needed to create shade?
- ☐ If it's wooded, will you need to clear large swaths of trees?  
Consider building restrictions in relation to proximity to the tree line
- ☐ What direction will the home face? Consider how much sunlight your home will see

## LEGAL CONSIDERATIONS

- ☐ Is the lot zoned for the type and size of the house you would like to build?
- ☐ Are there any liens, rights-of-way, easements or covenants on the property?
- ☐ Are there building restrictions due to wetlands, steep slopes or nearby historical or cultural sites?



## HOMEOWNER + CUSTOM HOME BUILDER FIT

As you know, building a home isn't an overnight process. Between the initial planning and design stages to the final walk-through, you'll be working with your builder for over a year. This means you're going to be around the same team members for many hours, month after month, so personal compatibility is important. Make sure you like them!

### PROFESSIONALISM

First and foremost, you should feel confident in a builder's professionalism. Dealing with every level, including contractors, project managers, designers, and administrators, should be relatively seamless. Everyone has a role to play in making your home building process as smooth as it can be, so you'll want to ensure all of the team members are welcoming and will follow through.

Communication is also paramount to how confident you'll feel about the builder. No one wants to continually have to follow up to get the answers they are looking for. You should be able to trust that your lead point of contact is reliable.



## PERSONALITY

While professionalism is important, the personality of the people you'll be in regular contact with is just as important. You should get a sense that the core team is sincere, respectful, and positive to be around and have your best interests at heart.

The choice as to which builder will be a good match is obviously a personal one, but there are some general traits worth considering. Do you feel comfortable talking about your ideas? Do they offer their professional insights into what may work for you? Do you get the sense that the team members respect each other and work well together?



*"You should get a sense that the core team is sincere, respectful, and positive to be around and have your best interests at heart."*



## REFERENCES

A custom home builder can look absolutely wonderful on all fronts: you like what you see in their portfolio, they have friendly staff, and the ballpark pricing they gave you is right in line with what you were thinking. So now is the time for some due diligence.

Start by looking at their online reviews on various platforms including Houzz, Facebook and Google. These reviews are a helpful part of the reference process, but they may not tell the complete story. Interactions with the builder are much more complex and nuanced than what can be summarized in a paragraph or two in an online review, so it's important to ask for at least three client references and three trade references that you can call to get more details about their experiences.



## ASKING FOR REFERENCES

A reputable builder that is proud of their craftsmanship will not hesitate to provide you with both trade and client references. It takes a little bit of legwork on your part to make the calls, but it's well worth it to help you gain valuable insights and perspective on what it is like to build with the builder.

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# WHAT TO ASK YOUR...

## CLIENT REFERENCES

- Can you tell me about the home you built?
  - The goal of this question is to get to know the reference a little better and warm up the conversation for additional questions. You can ask what motivated them to build their custom home, the style of house they were looking for, the land they built on, etc.
- When you were looking for custom home builders, what made you finally decide to go with this builder?
- Did you have a clear idea of how the custom home building process works?
  - Did the reference feel confident that the builder provided adequate detail, including the building process, who will be performing the work, what types of materials will be used and how change orders are handled?
- Did the builder provide you with a construction schedule? If there were changes, were you kept well informed?
- Were you free to contact anyone on the team to get your questions answered?
- Were you welcomed to visit the job site during construction?
- Would you say that the job site was kept clean and safe throughout construction?
- During construction, did you have any disputes around costs? If so, how were they handled?
- Were you happy with the level of communication the home builder had with you?
- Did you enjoy working with the entire team?
- Did your project stay on budget?
- Did you get the results you expected? If not, can you expand on why your expectations weren't met?
- Would you recommend this custom home builder?



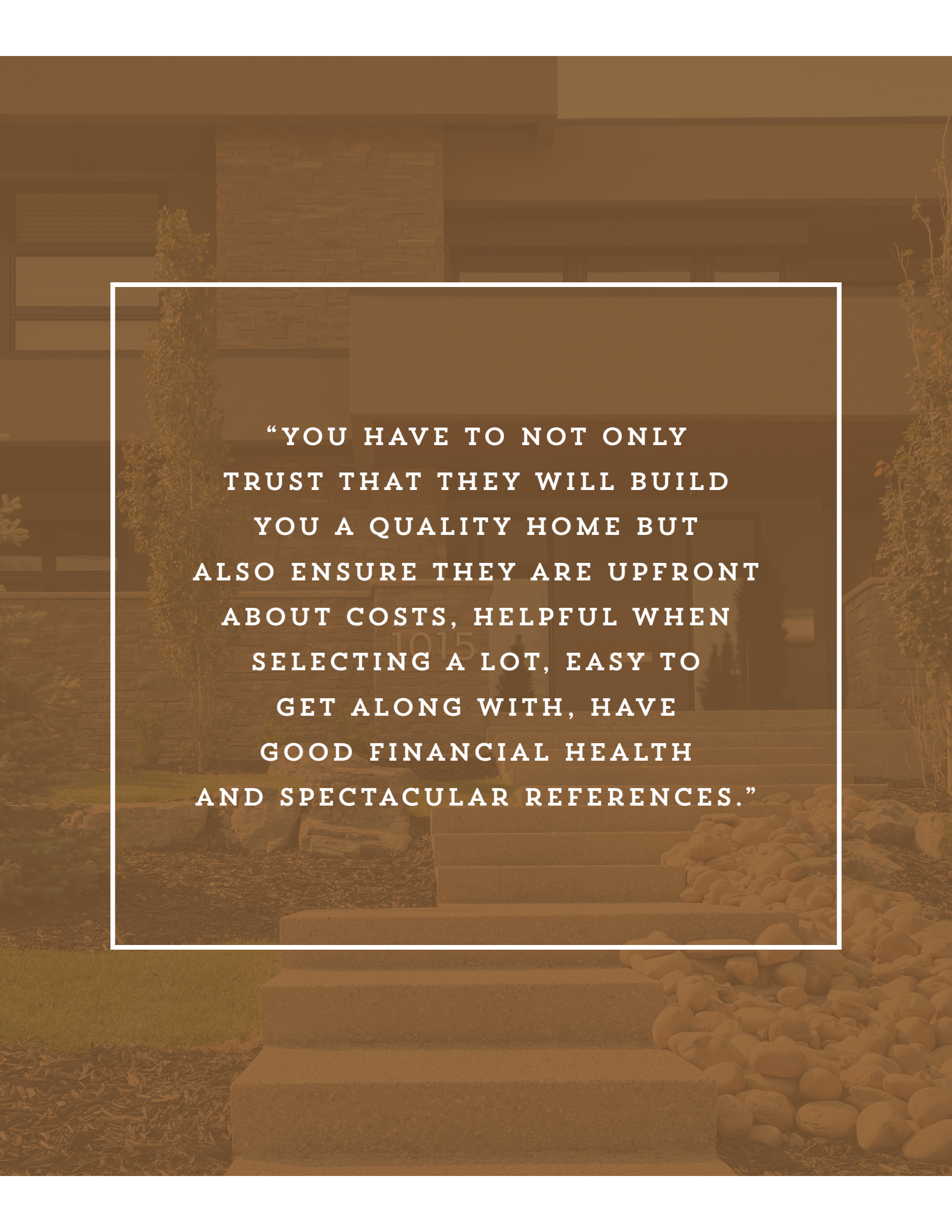
# WHAT TO ASK YOUR...

## TRADE REFERENCES

- ☐ How long have you been working with this builder?
- ☐ Do you get paid on time?
- ☐ Do you sense that this custom home builder cares for the quality of the home being built?
- ☐ Were you provided with the information you needed to do your work correctly and on time?
- ☐ Did the builder communicate well with you regarding schedules and their expectations? Did they stay on schedule?
- ☐ If you had questions, were they answered in a timely manner?
- ☐ Overall, is this custom home builder a good company to work for?







“YOU HAVE TO NOT ONLY  
TRUST THAT THEY WILL BUILD  
YOU A QUALITY HOME BUT  
ALSO ENSURE THEY ARE UPFRONT  
ABOUT COSTS, HELPFUL WHEN  
SELECTING A LOT, EASY TO  
GET ALONG WITH, HAVE  
GOOD FINANCIAL HEALTH  
AND SPECTACULAR REFERENCES.”





## FINANCIAL STABILITY

When choosing a custom home builder, you should confirm that they can financially support your home build throughout all stages of construction. You should be confident that they have the ability to fund your homes construction between contract draws. Many custom homes are financed on a draw schedule, where the mortgage provider issues resources based on completed phases in the building schedule. Once a building milestone has been reached additional funding will be allotted.

Some ways you can check on the financial health of your builder is to do a corporate search. Check on the number of years they've been in operation and who their directors and shareholders are. You can also perform a personal property registry search on the builder and shareholders, this will allow you to see if there are any liens or encumbrances against them. It is also important to confirm their standing and registration with their listed home warranty program provider.



All new home builders are required to have a builder license through the provincial government. Builder licensing is intended to reduce the risks prospective homeowners face by establishing a licensing system, providing consumers with information on builders (such as license status, where the builder has built homes, the number of previous home warranty registrations, and if a builder has orders or administrative penalties issued under the New Home Buyer Protection Act). You can use this program to find out more about your builder prior to starting your home.

Selecting the perfect team can go a long way in making sure your custom home building experience is everything you imagined. You have to not only trust that they will build you a quality home but also ensure they are upfront about costs, helpful when selecting a lot, easy to get along with, have good financial health and spectacular references.

**OUR HOPE IS THAT THIS GUIDE WILL HELP YOU  
NAVIGATE THE BUILDER SELECTION PROCESS TO ENSURE  
YOU HAVE THE BEST PARTNER IN CALGARY  
TO BRING YOUR CUSTOM DREAM HOME TO LIFE.**





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