

## **“ What’s the Price Per Square Foot?”**

### *A Leading Question*

As builders, one of the most common questions we are asked by prospective home buyers is the ever-popular “value” question: “What is the price per foot for a home?” Buyers often measure “the value” of one home against another by using this seemingly equitable comparison.

Often times, this strategy for product comparison is misleading. It seldom, if ever, reflects an “apples to apples” approach because there is not an opportunity for the builder to gather enough data before forming an educated response. A very basic dialogue between a buyer and a builder can provide both parties with an equal understanding of what the expectations are and how those expectations can be met.

In order for the builder to give a qualified response to “the value” question – a response that will truly allow the buyer to understand “the cost per square foot” differences from one home to the next – the buyer must first answer several questions:

Is the desired house style a ranch, a cape or a two-story design? (In building a ranch, or a cape, there is more expense per foot in building the foundation and the roof than in building a home where the floors are stacked above one another.)

What materials will be installed on the exterior façade? Brick, stone, siding, stucco? How will they be balanced so the design has balance and continuity?

What plate height will be used for the exterior walls on the first and second floors? How many courses of block will be installed for the basement walls or will they be poured concrete or ICU’s?

What will the interior finishes be? Will all the trim work be painted or stained? Will the stairs be carpeted or wood, curved or straight? How many built-ins are included? How much crown molding? Are there granite or corian or laminate countertops? What will the finish flooring be: tile, hardwood, carpet? What grade of windows will be installed?

What about mechanicals? Will there be forced air, radiant floor heating, a boiler? Air-conditioning? A back-up generator? How many recessed lights are included? What type of switches or lighting control?

Where will the house be located? Is the site level, hilly, how will it drain? Is there any rock below grade or clay soil that holds water, or radon?

Where are utility connections? Gas, electric, pure water, or well, septic or sewer? What is the area for the driveway, does it connect to a Town or State road, need a culvert, or any reinforcement to keep it solid?

Is there an allowance for landscaping, lawn, irrigation and plantings included? What about a deck?

*The Accurate Answer*

In order to get an accurate answer to “the value” question, a real dialogue between the builder and buyer should occur. This conversation can produce many more questions than those listed here – especially as written specifications and plans for a custom home are defined. But those questions begin the very important formal planning process for the buyer’s new home.

And, the importance of planning should not be glossed over or sped through. It should be a careful, well-thought-out process that leaves room for an open dialogue. This dialogue is imperative to providing the buyer with product knowledge, product pricing and a plethora of ways to stay within the target budget.

It is only when this process is complete that the buyer can, and will, fully understand the “Price Per Square Foot!”

Submitted by Marie Kenton  
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