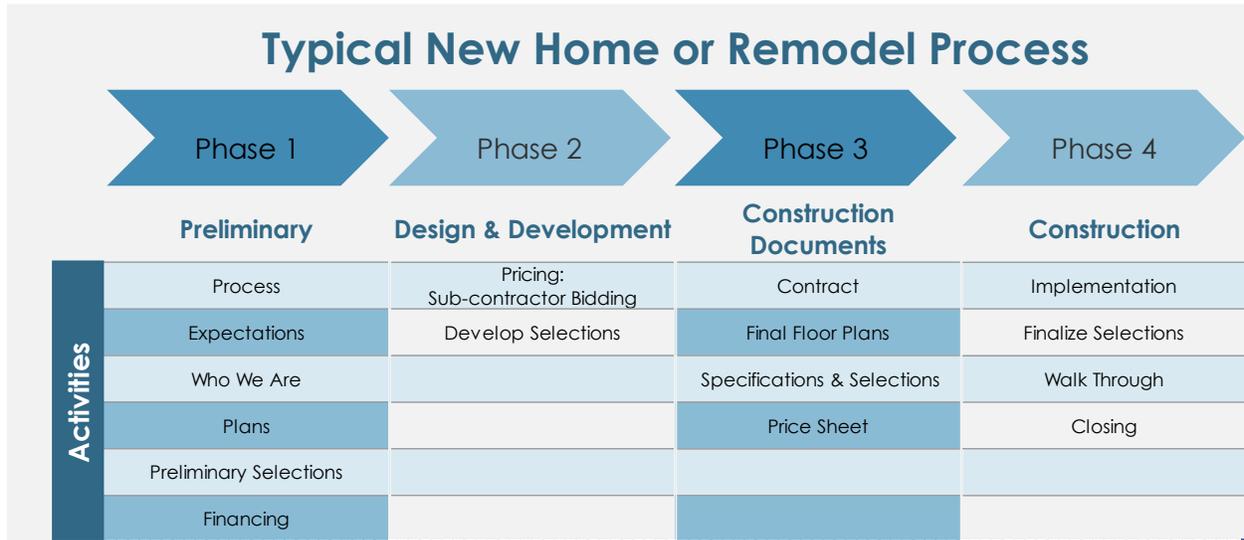




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 1325 Armstrong Road, Northfield, MN 55057  
 (507) 663-0482 • www.schmidthomes.com

## Schmidt Homes Project Process



Whether you’ve decided to build a new home or remodel your existing home, you probably have many questions about how this process will work with Schmidt Homes. We have broken the process down into four phases: Phase 1 Preliminary, Phase 2 Design Development, Phase 3 Contract Documents, Phase 4 Construction. In doing this we hope to make the process less overwhelming and complex to navigate.

Be aware that home building/renovation projects can be one of the most stressful events of someone’s life. Before moving forward, it is wise to consider what else is going on in your life that might hinder you from being fully present in this process. A remodeling project will most likely disrupt every area and routine of your life. There will be dust everywhere and people coming and going from your house for a long period of time (depending on the size of your project). We trust you to carefully consider if this is a project that you’re ready to take on.

### **PHASE 1: Preliminary** (estimated 2-3 weeks +)

This phase is all about getting to know each other: who is Schmidt Homes, who will be working on your project, project scope, general construction schedule, budgeting, availability for meetings, what does the project property look like, what kind of designs or plans are needed, etc.

Floor plans are necessary to allow us to put together preliminary (and final) pricing for your project. If you do not already have plans you may hire an architect, designer, or work with our design team. If you choose to work with our designers, we operate in a Design-Build capacity and will tailor a design agreement to fit your specific needs. The design agreement outlines the scope and the number of meetings you may need to create floor plans for building.

We encourage you to narrow down your finishes and selections as early as possible as they can greatly impact the cost of your project. We will give you a list of vendors that we work with for you to start exploring the many options available to you. As you make decisions, we will include allowances for those selections in your contract pricing.

Start exploring your financing options. There are many different ways to pay for your project, i.e., cash, construction loan, home equity loan, etc. Your lender will help steer you in a direction that makes the most sense for your situation. If you need any lender suggestions, we have a list we can give you. Most likely your lender will require many documents about your income and your project. Let us know if you need any documents from us to keep the process moving. Sometimes they want to see a copy of the plans or a sworn Construction Statement. Again, your loan officer will be your best resource.

Designing a project is a critical step in the building/remodeling process. This is where your vision will start to take shape. Take time to think about how you want your home to feel, look and function. If you are (or plan on) working with an architect or designer, we'd love to be involved early on in that process. If you are looking for design assistance, Schmidt Homes has an inhouse design team that can work with you. We can enter into a design agreement to put your vision together.

The size and scope of your project will determine how long Phase 1 can take. For example, a large remodeling project could involve having an engineer review the structural components of the project, sub-contractors touring the property, verifying zoning with the city, etc.

## **PHASE 2: Design Development** (estimated 2-12 weeks)

Once the plans are ready for pricing, we can start the bidding process. Your project manager will send your project plans out to our trusted sub-contractors to get bids on the cost of materials and labor your home will require.

This final step of phase 2 is honing in on any adjustments needed for final pricing and contract documents: often the preliminary or bidding set of plans needs to be further refined/defined before the contract and permitting can begin.

### **PHASE 3: Contract Documents**

This phase consists of reviewing and signing a contract that includes final floor plans, selections and pricing sheet. At this time, we will give you a homeowner's binder that will help guide you through the details of completing your project. Bring your binder and samples to every showroom and meeting!

### **PHASE 4: Construction** (estimated 3-6 months)

Phase 4 involves finalizing the material and finish selections for your project. For new homes we typically budget several meetings with our designer to record your final selections and offer advice. The number of meetings and durations will be outlined in your design agreement or contract documents. These meetings will be in our showroom.

You will need to do some leg work on your own: visiting appliance, lighting, and tile showrooms, etc. (Our designer can certainly accompany you, but this is not included in our scope and would be billed to you separately. Let us know if you are interested in additional design services.) The selection process can affect the timeline of your project significantly; a delayed decision could push your project back a week or more depending on the product and the delay.

\*\*\*Important note: due to the current supply chain issues, many construction materials are experiencing significant delays that are affecting the timeline of all construction projects. We are doing our best to keep things moving. Making your selections as early as possible is one way we can reduce the schedule disruption, but we cannot guarantee that there will not be changes in availability. We are committed to keeping you informed and being honest about delays to the project.

If you are remodeling your home, you will have to do some prep work before construction can get underway. You might have to move furniture, clear out your cabinets, cover furniture, move landscaping, decide where a portable toilet can be located, etc. Your project manager will review what tasks you will need to complete before we can start construction.

The amount of time that a project can take will depend on many factors. Every project has hiccups. With open communication we can work to solve any issue that might arise, except weather. Unfortunately, when inclement weather hits all we can do is be patient - especially with new homes.

At the end of your project your project manager will walk you through your project and review any questions you may have. They can cover warranty info, give you contact information for the sub-contractors that worked on your home, etc.

New homes will have a closing meeting that will transfer the deed of ownership over to you. At this time if you have a mortgage, you will sign those documents.

For new homes and large remodeling projects we will schedule a one-year walk-through to go through your home and look at warranty items and answer any questions you may have. For all other projects warranty issues need to be brought to our attention within 1 year of the project completion.