HOW ROUND ARE YOUR SQUARE FEET?

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In January of this year we introduced *Connor Complete* -- our full construction and complete building service.

One obvious advantage is that our clients now have one point of contact for design, code compliance, building inspection and construction management. But perhaps an even more important benefit is it allows our clients to focus on the details they enjoy while our experienced staff manages the operations, questions and budgets from site work to move-in day.

During the past five months, I've been listening and learning from our clients as they struggle to get apple to apple comparisons for their total home price. With their feedback I started to compose a thought which turned into this entry. I hope you will take a moment to read it and let me hear your thoughts – mikeconnor@connorbuilding.com

The professionals in the residential building world love to toss around formulae relating to every aspect of the construction process, from building costs to financing, and the most common denominator in these calculations is unmistakably the square foot. It's the one piece of building language that builders and customers use fluently and frequently when they talk to each other in what otherwise is a verbal universe devoid of meaning for the uninitiated.

"How many square feet of house are you thinking of building?"

"We think we need about 2,800 square feet, depending on the cost per square foot."

"Well, I charge about $100 per square foot for my houses."

"Great! $280,000 is right in our budget!

The couple leave the meeting and begin to make plans for their 2,800 sq ft house with the cozy front entry porch, and think of summer meals served out on the back screened porch, while their teenage son envisions the slam dunks he'll be making at the basketball hoop affixed to the attached two car garage.

Several weeks later, the written quote arrives from the builder. $350,000!! A hasty and frantic call to the builder reveals the construction language barrier that caused this giant misunderstanding.

"When I talk price per square foot, I'm talking about the *living* area of the house." He explained. "Porches and garages are extra."

The crestfallen couple soon think back to an earlier builder who had quoted them a price of $125 per sq foot, but his total calculations included porches and garages as common amenities to a 2,800 sq foot house, for a total quoted price of …$350,000!!

If this is already confusing, that's exactly the point. Most building professionals and customers make the assumption that they're talking the same language because they're using the same words. But a 30% difference in the final computed number means somebody needs to spend time at the building language lab before speaking with the natives.

Is there deceit going on here by the building professional? I suppose in a few cases, yes, but in most cases it's a simple failure to understand the nuances of an admittedly complicated language. So put on your headsets and let's spend a little time in the language lab!

Believe it or not, there does exist a loose convention for the meaning of square feet in the housing industry. It is the actual finished living area of the home. "So what constitutes finished living area?" you repeat ten times into the lab microphone. "Finished living area is also called *conditioned living area, or that floor area that will be heated or cooled, and therefore insulated*. So then square feet calculation is really the insulated square feet of the house," you shout jubilantly, ripping off your headset in the euphoria of suddenly speaking fluently in a foreign tongue. Well, almost.

Remember, I said the convention was loose, and the nuances numerous. For example, most builders won't include an insulated garage in the square feet calculation, because it is not living area. But some will. Some porches are three season and insulated but not conditioned. Some porches don't have roofs. (In the advanced language sessions we will learn to call these decks). What's a language novice who has now thrown away his/her headset to do?

Here's what to do: understand that pricing houses by the square foot is a terribly imprecise exercise, so much so that even the builder who uses "square foot" with a frequency and ease that implies graduate school comprehension would never actually price a house by the square foot. Instead, he carefully counts up all the parts and pieces

of the house, adds the labor to assemble them all and presents that calculation to the homebuyer as his quote.

So why bother understanding this silly language if nobody uses it when they want to convey real costs? Because square footage calculation of costs is the entry level estimate of a cost number that is likely to land in a range wide enough to absorb all the changes, nuances and contingencies that are likely to be applied to the final product… on average … for the most part … on a given day … in heaven. Or in hell if you didn't study the "language of Building."

Here's the key word to remember when your feet are square: ROUND. Everything calculated in a square foot calculation of cost is rounded off to accommodate the big rounded number that results from the exercise.

Just to punctuate the above, consider this; if someone tells you the price of a house is $150 per square foot, it could be $600 in the bathroom, $30 in the center of the closet. You could add or subtract 100 square feet in one direction on the house that will cost twice as much as the same 100 square feet in another direction. And if your house has vaulted ceilings, that area's square foot calculations has even less bearing on actual costs.

So why even talk square footage costs if there are so many variables? Interestingly, while the variables cause unpredictability, the number of variables tends to cancel out many of the highs and lows so that a somewhat meaningful number is derived. (I think there is a mathematical name for this phenomenon, but remember, this is a language lab, not a statistics class.) The derived number, though, only tells you whether the house you are considering is worth further pursuit through a complete quotation, an operation so accurate but so tedious that many builders will charge you to take that step. Therefore, you need to understand what is included in your square foot calculation before taking the next step to a full-blown quote.

Understanding the language of square foot calculations will at least give you a preliminary understanding of the costs of your house, and not leave you speechless when the quote you receive bears no resemblance to the square foot estimate. Or worse yet, cause you to speak like a builder who has just hit his thumb with his hammer, a whole different language taught in the adult language learning center only.

At Connor Homes we often use price-per-square foot calculations to give preliminary pricing to our customers. We want these estimates to reflect as accurately as possible what the actual building costs will be. Of course, we have the advantage of doing many homes with constant feedback from our customers, so that our preliminary square foot numbers carry the weight of experience and sheer volume. We also can give a no-charge Quote on any home in our catalog.

We encourage our customers to take the step of final Quote if the preliminary estimate appears to make the project come within budget because it likely will.

Our "rounded" preliminary estimate will be so "square" in final quote form that we provide our Connor Homes Price Guarantee as part of our contract pricing. That kind of language is understood in any native tongue!

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