

# Diary of a New Construction Project

J Scott

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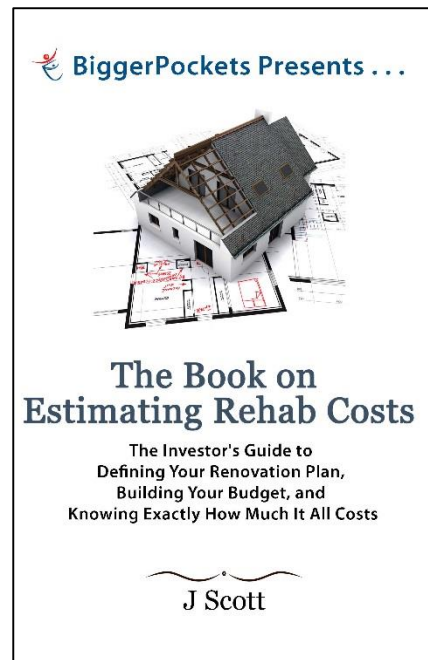
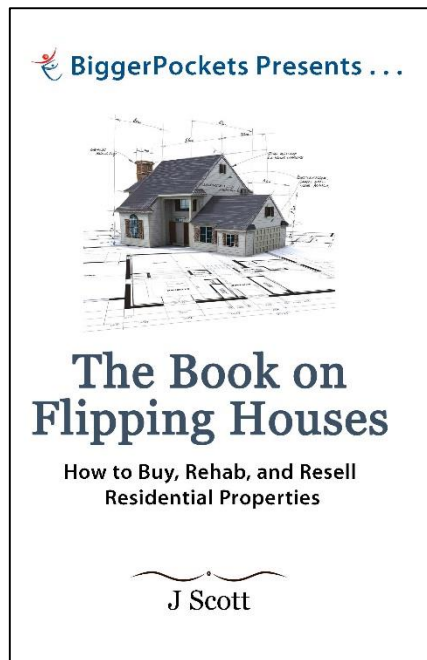
Finally, use your head. Nothing in this book is intended to replace common sense, legal, accounting, or professional advice, and only is meant to inform.

First Edition

# Diary of a New Construction Project

## FORWARD

In March 2013, [BiggerPockets.com](http://BiggerPockets.com) and J Scott collaborated to release two books -- [The Book on Flipping Houses](#) and [The Book on Estimating Rehab Costs](#) (check them out here if you haven't already).



The feedback on the books has been tremendous, and we've sold nearly 10,000 copies in the first year of release.

As part of the book package, J was planning to do a detailed case study of one of his renovations (even more detailed than he does for most of his projects on his [blog](#)). We decided that instead of doing a case study only for those who purchased the books, he'd instead do one publicly on the [BiggerPockets Forums](#), and this case study would be on a new construction project, which you can find [here](#). The thread has so far garnered over 500 posts from 100 people and has been read over 50,000 times.

In the thread, J provides a practically day-by-day diary of his first new construction project, from acquisition through sale -- including pictures, spreadsheets, invoices, bids, etc.

## Diary of a New Construction Project

It is a fascinating read, and we wanted to do our part to get it in the hands of even more people, which is why we're releasing all of J's posts (without feedback from other users to interrupt the flow) in this eBook. Given that part of our mission at BiggerPockets is to help educate investors and would-be investors, the release of this FREE eBook, we believe, further helps us accomplish that task through the first hand lens of an investor who succeeds in building his first new construction project.

We believe that this case study is a must read, and we hope that you agree.

Enjoy,

Joshua Dorkin  
CEO, BiggerPockets



# Diary of a New Construction Project

## INTRODUCTION

I've always found that the best way to learn (for me, at least) was through real-life case studies. While textbooks are great, they have one big drawback – they only tell you the correct way to do things. They don't tell generally tell you the ramifications of making mistakes. In the real world, things rarely go perfectly, but not all mistakes are the same -- some mistakes aren't really that bad; others can be showstoppers. By walking through an unrehearsed real-life scenario, you not only can learn the correct way to do things (hopefully), but you can also start to get a feel for which types of mistakes are most common and how different types of mistakes impact the overall project.

The goal of this case study is to help walk investors through a real life ground-up construction project. To make it more interesting, this was actually the very first new build I'd ever done, and while I certainly had a good bit of rehabbing experience under my belt, much of this project was "flying by the seat of my pants." Luckily, I had a great partner who was better versed in the construction side of things than I was (and who is generally just smarter than I am), but this was his first new construction project as well.

I've formatted this text in diary format, as that's how I experienced and documented it. Obviously, with any construction project, there are going to be periods of time where not much is going on, but for the most part, I captured the progress of this year-long project on a near-daily basis. While I've strived to be as complete as possible in this diary, there will certainly be some holes and gaps in my narrative, either because I wasn't able to capture every detail or – more likely – because every construction project is different and trying to capture every detail that comprises a construction project is near impossible, especially for new construction.

For that reason – and other obvious reasons – this book shouldn't be considered a step-by-step guide to building new construction. If anything, it should be considered a true life story of how new construction projects are often complex, time consuming, frustrating and unpredictable. Should you decide to try new construction yourself, I

## Diary of a New Construction Project

highly recommend getting some rehabbing experience on a smaller scale first, and “working your way up” to new construction. Better yet, find a partner or mentor with some experience to help you through your first couple projects.

Hopefully you’ll find this book both interesting and informative...at least as interesting and informative as this new construction project was for me.

Thanks for reading!

J Scott

# Diary of a New Construction Project

## DAY 1: BEFORE PICTURES & DESIGN IDEAS

I met with my partner at the property today for the first time (we closed on the purchase yesterday). The lot is just under .25 acres -- 50' wide x 200' deep and is a couple turns off a main road and just about 100 yards from a major highway. The neighborhood is average – that will probably be the biggest turn-off to potential buyers – but there is a 5 year old house across the street that is similar to what we'll be building and plenty of new construction on adjacent streets (better streets, from a buyer's standpoint).

The house currently sitting on the lot was built in the 1920s. It's a small single-story bungalow that has seen better days. We'll be knocking down, so it doesn't really matter, but here are some BEFORE pictures of the existing house:

(Clicking on most images in this document will take you to a higher resolution image online)



We've determined that we will demo the existing structure, keep the existing cinder block foundation, floor system and crawl space, and then build an additional foundation on the back to expand the footprint. The new house will be something like

## Diary of a New Construction Project

a Cape Cod style, with a full first floor and a smaller second floor. Total square footage will be about 2000 square feet.

We have no idea what our building costs will be, though we've heard everything from \$60-120 per square foot for this area. I'll be sitting down tonight to hammer out a preliminary budget and analysis of this deal.

### DAY 2: FIRST-PASS ANALYSIS & BUDGET

While we still don't know for certain how much this project will cost, we of course did some preliminary analysis prior to purchasing it. Using very rough estimates of building costs in this area and the likely resale value, we think the numbers on the property should allow us to at least break even, and hopefully make a reasonable profit.

The existing property/lot was purchased for \$30,000 (we put \$3000 down in earnest money and paid another \$27,831 at closing). Since we're paying cash for everything, our holding costs should be relatively low (I estimate about \$5000 for property taxes, \$600 for insurance and \$600 for utilities) and our selling costs should be pretty low as well (\$600 to move our staging furniture in and out, 3% of the sales price for buyer-agent commission, and about 3% of the sales price in closing costs). We are initially estimating our rehab budget to be around \$155,000 (see below). Finally, we're expecting that our sales price will be somewhere in the \$250,000 to \$270,000 range (let's say \$260,000 for now).

Given that information, here is what our initial financial analysis looks like:

(Clicking on the image below will take you to a higher resolution image online)

## Diary of a New Construction Project

<b>PURCHASE COSTS:</b>	
Earnest Money	(\$3,000.00)
Due at Closing	(\$27,831.58)
<b>Total:</b>	<b>-\$30,831.58</b>
<b>REHAB COSTS:</b>	
Labor & Materials	\$ (150,000.00)
<b>Total:</b>	<b>-\$150,000.00</b>
<b>HOLDING COSTS:</b>	
Property Taxes	(\$5,000.00)
Insurance	(\$600.00)
Utilities	(\$600.00)
<b>Total:</b>	<b>-\$6,200.00</b>
<b>SELLING COSTS</b>	
Selling Price	\$260,000.00
Staging / Marketing Costs	(\$600.00)
Commission To Agents	(\$15,600.00)
Buyer Home Warranty	\$0.00
Buyer Closing Cost / Concessions	(\$7,800.00)
Seller Closing Costs	\$0.00
Proration of Taxes, Insurance, Escro	\$0.00
Buyer Appraisal / Inspection	\$0.00
Termite Letter	\$0.00
<b>Total:</b>	<b>\$236,000.00</b>
<b>PROFIT:</b>	<b>\$48,968.42</b>

If these assumptions are accurate, we're looking at about \$50,000 profit from less than \$200,000 investment, for a very reasonable return.

Now, you're probably wondering where that \$155,000 budget came from?

Here is the preliminary budget estimate we put together for this project last night (note that where there is just a labor price, that includes materials as well, just not broken out):

(Clicking on the image below will take you to a higher resolution image online)

# Diary of a New Construction Project

INTERIOR				
Trade	Task	Labor	Materials	Total
Management/Permits	Demo Permit	\$ 1,500.00	\$ -	\$ 1,500.00
	Building Permits	\$ 1,500.00	\$ -	\$ 1,500.00
Drawing/Architect	Architect / Drawings	\$ 4,000.00	\$ -	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00
	Survey	\$ 1,000.00	\$ -	\$ 1,000.00
Demo	Demo House	\$ 10,000.00	\$ -	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00
Foundation	Foundation for Addition	\$ 4,000.00	\$ -	\$ 4,000.00
Framing	Framing	\$ 15,000.00	\$ -	\$ 15,000.00
	House Wrap	\$ 1,800.00	\$ -	\$ 1,800.00
Sheetrock	Sheetrock	\$ 8,000.00	\$ -	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,500.00	\$ -	\$ 2,500.00
	Blown Insulation in Attic	\$ 1,000.00	\$ -	\$ 1,000.00
Painting	Interior Paint	\$ 4,000.00	\$ -	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00
Doors/Windows	Exterior Doors	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00
	Interior Doors	\$ 1,500.00	\$ 3,500.00	\$ 5,000.00
	Windows	\$ 6,000.00	\$ -	\$ 6,000.00
Electrical	Upgrade Service and Panel	\$ 1,500.00	\$ -	\$ 1,500.00
	Power Pole	\$ 500.00	\$ -	\$ 500.00
	Rough Electrical	\$ 3,500.00	\$ -	\$ 3,500.00
	Finish Electrical	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00
Plumbing	Rough Plumbing	\$ 3,000.00	\$ -	\$ 3,000.00
	Finish Plumbing	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00
	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00
Cabinets	Kitchen Cabinets	\$ 3,500.00	\$ -	\$ 3,500.00
	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00
	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00
	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00
Flooring	New Decking for Subfloor	\$ 2,000.00	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00
	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00
HVAC	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00
Appliances	Install Appliances	\$ -	\$ 4,000.00	\$ 4,000.00
General	Punch List	\$ -	\$ 1,600.00	\$ 1,600.00
Cleaning	Cleaning	\$ 150.00	\$ -	\$ 150.00
	INTERIOR TOTAL:	\$ 104,850.00	\$ 21,150.00	\$ 126,000.00
EXTERIOR				
Trade	Task	Labor	Materials	Total
Roof	Roof Decking	\$ 2,000.00	\$ -	\$ 2,000.00
	Roof Replacement	\$ 3,500.00	\$ -	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 12,000.00	\$ -	\$ 12,000.00
	Stone and Trim on Exterior	\$ 3,000.00	\$ -	\$ 3,000.00
Painting	Exterior Painting	\$ 3,500.00	\$ -	\$ 3,500.00
Deck	Build Deck	\$ 3,000.00	\$ -	\$ 3,000.00
Landscaping	Landscaping	\$ 500.00	\$ -	\$ 500.00
	EXTERIOR TOTAL:	\$ 29,000.00	\$ -	\$ 29,000.00
			TOTAL:	\$ 155,000.00

## Diary of a New Construction Project

I'm sure we're a little low in some areas, a little high in others and probably missed some stuff as well. Given that we're expecting to build a 2000 square foot house, this puts us at about \$72 per square foot to build (if you subtract out the costs to knock down the existing structure). This is right around where we were expecting to be given the information we've gotten from others who are building in our area, so perhaps we're not too far off.

The budget spreadsheet linked above is what I'll be using to track our budget throughout the project and I'll note the actual costs next to each estimate as we make progress (I'll also note where we get firm bids from contractors).

### DAY 3: ROUGH SKETCHES

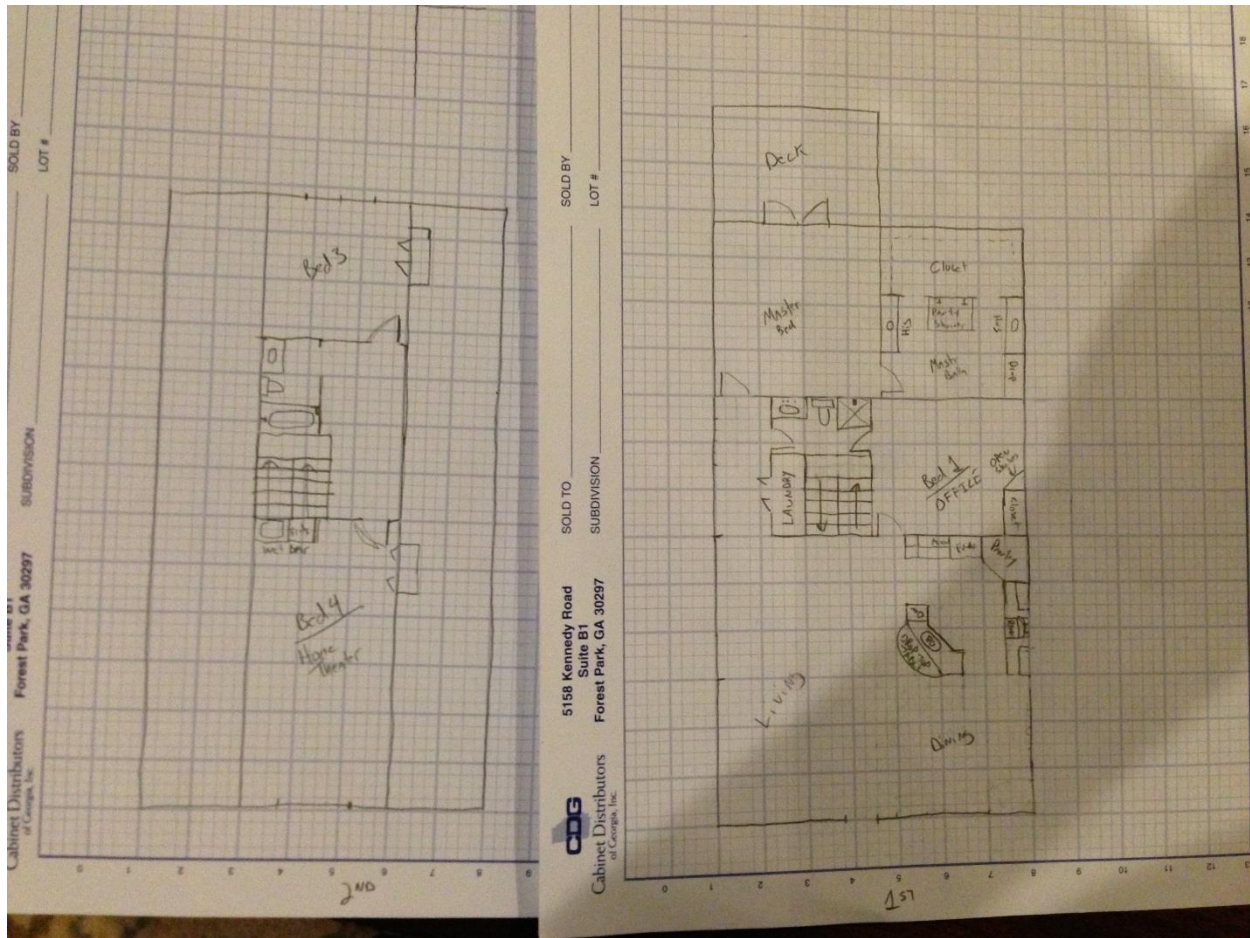
We're in the process of interviewing drafters and architects to draw up our plans and handle the permitting process. We have a couple reasonable candidates and will be meeting them at the site over the next couple days to discuss their process and fees.

In the meantime, we wanted to have a basic idea of what we planned to build. Because the lot is narrow and long (50' x 200'), the typical off-the-shelf plans won't work (we want to do custom anyway), so my partner and I have been discussing ideas and he's been putting some sketches on paper.

Here is what we plan to start with when we find our architect:



## Diary of a New Construction Project



We've been debating whether the second floor (the drawing on the left) should be the full size as the first floor, or whether we should gable the roof to decrease the size of the second floor (as in the drawing) to keep the square footage to our planned 2000 sf.

Making the second floor the same size as the first will add some framing, sheetrock, paint and finishing cost, but will likely also add about 700 square feet to the total size of the house. I'm thinking the additional value for the extra square footage should more than make up for the extra cost, but this will be something we'll need to analyze when we're getting our bids (and I'm sure the architect will have some input).



# Diary of a New Construction Project

## DAY 10: FINDING AN ARCHITECT

We've spent the past week or so finding and interviewing a few potential architects to help us with our design and to create plans. We got architect bids from \$2,500-10,000. We finally settled on a guy who used to design for one of the biggest and most well-known builders in Atlanta.

He agreed to do all drawings and submit the plans for us for \$2500 (I guess that puts us \$1500 under budget so far :-). The architect said that we'll need to complete demo before he can get final measurements of the existing foundation and complete the drawings. Once the drawings are done, he said permits should take between 2-6 weeks, depending on how finicky the particular building inspector was that we end up with.

So, we need to finish demo prior to getting final drawings and then it will still be up to two months to get permits. And since we need a demo permit before we can begin demo, that will put us at least three months out for starting construction. I guess we can use that time to get our bids and nail down our sub-contractor list.

## DAY 12: MEETING WITH THE ARCHITECT

We spent about an hour at the property today with our architect, reviewing our proposed drawings, discussing what we wanted to build and getting his feedback. We talked a bit about the framing design and how we can build most cost efficiently.

Ultimately, while he can lay out the design for the structure, it will be an engineer and the lumber company who can best tell us the most cost efficient method for framing, floor design and roof construction. So, we'll have to give the first draft of the plans to the lumber company, let them do "take offs" (figure out exactly how much we need of every piece of lumber and material), and ultimately let them recommend the most cost-efficient method to design and build the structure.

## Diary of a New Construction Project

Supposedly, the big lumber companies all have in-house engineering, so I guess the architect and the engineer will iterate on the drawings until we have the layout we want with the most cost-efficient design.

We expect to have our first draft of the drawings in the next 10 days.

### DAY 14: DEMO BIDS

While we're waiting for initial drawings from the architect, we're interviewing a bunch of potential demo companies who can take down the old house. Bids are coming in between \$5000-10,000.

We've started to realize that the experienced companies are the ones that discuss getting an asbestos survey prior to knock-down (the house was built in the 1930s), disconnecting utilities, getting property surveys, etc. This is stuff that's pretty obvious, but I just haven't ever thought about it before.

### DAY 16: OUR DEMO BID

Looks like we've settled on a demo company for this job. Here is their proposal (for security reasons, I've redacted any information that might identify the actual property address):

#### Demo Proposal

Their proposal includes \$450 for the asbestos survey, \$6500 for the actual demo, \$1280 for the demo permits, \$1100 for the surveys and \$75 for the rodent letter. They'd be outsourcing everything but the demo. They say the work would be done in 1-2 days and it sounds like they can fit the entire house in about five 30-yard dumpsters.

# Diary of a New Construction Project

## DAY 17: SURVEY BID

Because the demo company is outsourcing all the non-demo work (surveys, etc), they are fine if we use our own contractors for that stuff. The one item that stuck out on the Demo Bid that I we thought we could get cheaper was the site survey (demo company wants \$1100).

I called the Surveyor I've used in the past and asked if he could give me a better price on the survey. He says he can do it for \$650 and he'll have the job done in less than a week.

Here is his bid:

### Survey Proposal

## DAY 22: INITIAL FLOORPLAN

Our architect sent us the first draft of the floor plan based on our discussions. We had originally discussed building a 2000 square foot house, but the architect suggested that we should make the second floor as large as possible and provided a plan that was nearly 2700 square feet.

We originally planned to limit the second floor to half the size of the first floor, thus reducing framing, sheetrock, flooring, painting and roof costs. We'll probably settle somewhere in the middle. The extra space is great, but we don't believe that the resale value will increase as much as the costs will increase for anything over 2200 square feet or so.

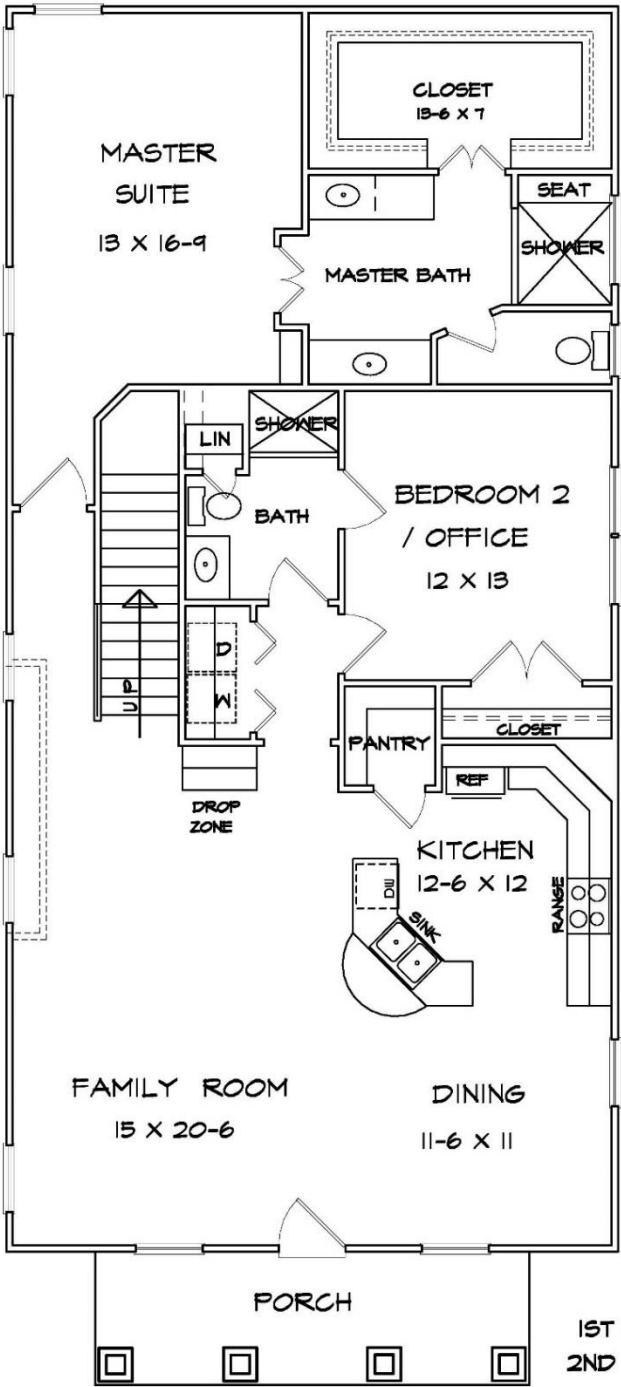
## Diary of a New Construction Project

We'll likely remove the bump-outs from the second story (the dormers) to reduce costs a bit (framing and roof), leaving a second floor that's a bit smaller but nearly full size.

Here is the initial elevation and floor plans from the architect:



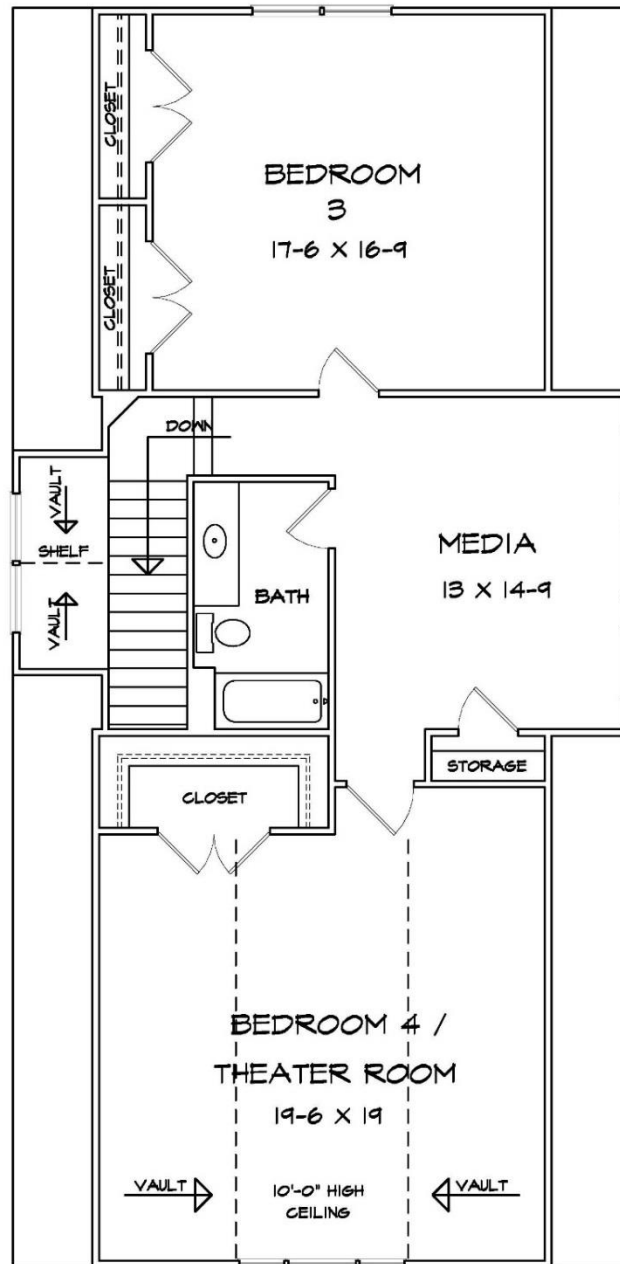
Diary of a New Construction Project



1ST FLOOR = 1540 SQ. FT.  
2ND FLOOR = 1132 SQ. FT.  
TOTAL = 2672 SQ. FT.

FIRST FLOOR PLAN

## Diary of a New Construction Project



SECOND FLOOR PLAN

# Diary of a New Construction Project

## DAY 25: INITIAL SURVEY

Our surveyor sent us a first draft of the survey, but it needed some additional information on the proposed layout of the new property before he could complete it. I sent him the information he requested and hopefully we'll have a final survey in the next day or two. Once we have a final survey, our demo guys can submit everything for the demo permit, which will likely take about two weeks to get approved.

Here's the Initial Survey:

### [Initial Survey](#)

## DAY 28: SETBACK ISSUE

The surveyor sent us the two final site/survey documents (Demo Plan and Proposed Building Plan). Unfortunately, the big thing the survey revealed was that after the house was originally built, the city changed the zoning to require a 35 foot setback from the street (a "setback" is the minimum distance the property can sit from the street or a boundary line, based on the local zoning regulations).

But, the house only sits about 22 feet back from the street (zoning was not in place when the house was built). In theory, we'd need to move the house another 12 feet away from the street, but given that we want to save the existing foundation, that would add a tremendous amount of work and expense. Instead, we'll be asking the city for a variance (i.e., asking them to make an exception) to allow us to keep the front of the structure where it was originally built.

## Diary of a New Construction Project

Here is the Final Demo Plan:

### [Final Demo Plan](#)

Here is the Final Proposed Build Plan:

### [Proposed Build Plan](#)

## DAY 29: DEMO PERMIT SUBMITTED

The demo company submitted the application and site plans to the City of Atlanta for the demo work. According to the city, we should expect it to take 1-2 weeks before the permit is issued, assuming they don't have any issues.

In the meantime, we're still working to finish up our architectural drawings and starting to get bids on some of the work.

## DAY 44: 10 EXTRA DAYS BEFORE DEMO

The demo permit application was submitted about two weeks ago and we're still waiting for permit approval to move forward with the demo. I found out today (my partner apparently knew this, but I didn't) that once the permit is granted, we'll have to post our intentions to demo the property publicly for 10 days before we can actually do the demo.

So, at this point, if we get the demo permit in the next few days, we're looking at actually starting demo sometime around Day 55-60.



## Diary of a New Construction Project

### DAY 56: DEMO PERMIT IN HAND

Wow...it's been a LONG wait (nearly 4 weeks), but we finally got our Demo Permit issued today. As I mentioned in my last update, we now have to wait 10 days before we can demo the house.

Hoping to start demo on Day 66...

### DAY 64: BAD ASBESTOS NEWS

Two days from starting demo and we got some bad news today — apparently, the asbestos survey required for demolition indicated that we had a good bit more asbestos in the house than we had figured (mostly in the flooring/drywall). We need to rip it all out before the house is demo'ed, and the total cost is going to be \$1800 (that includes the survey/testing).

Another good lesson for us: we should have gotten the asbestos survey BEFORE picking a demo company, so that we could get the asbestos removal work bid by multiple companies...now we're pretty much locked into our demo company for this one and have to hope \$1800 isn't ripping us off.

Just to be sure we're not getting ripped off, we're going to get a few more bids on this work (even if we don't use the new companies on this job). In the meantime, we're expecting the asbestos removal to complete in the next day or two by our demo company, and the house will be knocked down in the next few days.

Here is the Asbestos Survey Report:

[Asbestos Survey Report](#)

Here is the Asbestos Lab Results:

[Asbestos Lab Results](#)

## Diary of a New Construction Project

Here is the Asbestos Abatement Proposal:

### [Asbestos Abatement Proposal](#)

#### DAY 67: ASBESTOS COSTS

After doing some more research, we determined that the \$1800 quoted by our demo company for the additional asbestos work is actually very reasonable. The quotes we got from a couple other companies came in quite a bit higher, so we told our demo company to move forward with the abatement work.

We're now scheduled to knock the house down on Day 70 or 71.

Btw, here's a budget update based on the new information we have about the project and the bids we have in-hand as of Day 67.

The right-hand (pink) column is the original estimate from the beginning of the project, which I posted on Page 1 of this thread. The "Labor," "Materials," and "Current Total" columns are the revised estimates based on current information. They are also color-coded based on whether they are just my guess (white), a formal bid (green) or completed and paid for (blue).

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,280.00	\$ -	\$ 1,280.00	\$ 1,500.00
	Building Permits	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Drawing/Architect	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00	\$ 800.00
Foundation	Foundation for Addition	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 4,000.00
Framing	Framing	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 15,000.00
	House Wrap	\$ 1,800.00	\$ -	\$ 1,800.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 8,000.00	\$ -	\$ 8,000.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
Painting	Interior Paint	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 8,000.00
Doors/Windows	Exterior Doors	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00
	Interior Doors	\$ 1,500.00	\$ 3,500.00	\$ 5,000.00	\$ 5,000.00
	Windows	\$ 6,000.00	\$ -	\$ 6,000.00	\$ 6,000.00
Electrical	Upgrade Service and Panel	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
	Power Pole	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Rough Electrical	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
	Finish Electrical	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00
Plumbing	Rough Plumbing	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
	Finish Plumbing	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00
	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00	\$ 3,000.00
Cabinets	Kitchen Cabinets	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
Flooring	New Decking for Subfloor	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00	\$ 850.00
HVAC	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
Appliances	Install Appliances	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
General	Punch List	\$ -	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00
Cleaning	Cleaning	\$ 150.00	\$ -	\$ 150.00	\$ 150.00
	INTERIOR TOTAL:	\$ 101,605.00	\$ 21,150.00	\$ 122,755.00	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Roof Replacement	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
Exterior Painting	Exterior Painting	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Deck	Build Deck	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
Landscaping	Landscaping	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	EXTERIOR TOTAL:	\$ 29,000.00	\$ -	\$ 29,000.00	\$ 29,000.00
			TOTAL:	\$ 151,755.00	\$ 155,000.00

## Diary of a New Construction Project

### DAY 71: DEMO DAY!!!

We knocked down a house today! It took several weeks to get the permits, but we got the clear for demo today, and within about 2 hours the house was in pieces. The big piece of bad news for the day was that the foundation — which we assumed was cinderblock with a brick facade that we were hoping to save for the reconstruction — was actually made of just brick, and it crumbled during the demo.

So, it appears we're going to have to rebuild the entire foundation. We're getting bids for that now, but it will likely add several thousand dollars to the budget. Good lesson for the future!

On the bright side, we can now officially say that we're building a completely new house... :)

[\*\*CLICK HERE TO SEE A VIDEO FROM THE DEMO...\*\*](#)

Btw, some people have asked how we're planning to tackle this project for so little money. The secret is reduced labor costs...for example, here's our demo crew:



## Diary of a New Construction Project

### DAY 73: DEMO INVOICE

We received the invoice for the Demo work today. It included the \$1800 for the asbestos work, the \$75 rodent letter, \$1240 for permits and \$6500 for the actual demo. This is right in line with what we had expected, with the exception of the extra asbestos abatement costs.

Here are some links to the documents:

[Demo Invoice](#)

[Rodent Letter](#)

[Asbestos Abatement Form](#)

[Demo Permit Receipt](#)

### DAY 79: SETBACK ISSUES

We received our final architectural plans today, and went down to the permit office to apply for our final building permits. After waiting for about 3 hours for our turn to submit the application (yup, this is how it works in Atlanta), we were told that there was a problem with the setbacks (the distance the house is being built from the road). We somewhat anticipated this (see update for Day 28), but weren't sure exactly how much of an issue it would be.

To explain the issue in more details, when the house was built back in the 1920s, there were no zoning requirements for how far from the street the house needed to be built, so it was built about 15 feet from the road. Since then, zoning has been put in place in this area that says houses must be built at least 35 feet from the road.

## Diary of a New Construction Project

We were under the impression that if we left at least part of the foundation, we were grandfathered into the old setback requirements. Apparently, this is just a myth. While they might not catch it and might let us build on the old foundation, they could always come along later and say, "Whoops, we shouldn't have let you do that...now you have to knock it down again!" Not wanting to take that risk, we asked what our options were.

Apparently, the rule (in Atlanta, at least) is that you need to build a distance from the road that is at least a minimum of the higher of the following two values:

1. Half the distance of the current zoning setback (half of 35 feet, or 17.5 feet); or
2. The average of the setbacks for some sample of the surrounding houses (probably about 15 feet).

Assuming the average setback of the surrounding houses is less than 17.5 feet, it looks like the higher of those two values will be #1 — 17.5 feet.

This would require us to move the house back about 3 feet from where the current foundation is located. This won't be a huge issue, as we've realized we're going to have to rebuild the foundation anyway, but it will require us to get a new survey (to verify the average setback of the surrounding houses) and will require us to update our building plans to move the foundation back a few feet.

This will likely set the schedule back another week, but at least we'll have formal approval of the new location as opposed to having the risk of them coming back later and telling us we have to move the house.

Here is a link to the version of the Construction Plans we plan to submit for permits:

[Construction Plans](#)

# Diary of a New Construction Project

## DAY 86: SETBACK SURVEY

Our surveyor completed the average setback survey that we needed for our building permits (and to determine where we could locate the house).

He determined that the average setback for the surrounding houses was 31.1 feet. The house we demo'ed was setback 27 feet (a good 12' further back than I had estimated). Given the city rules I stated above, the new house we're constructing will need to be about 4 feet further back than the original house was. Not too bad.

I'll be heading down to the City of Atlanta building department today to try to turn in our permit application...again...

Here is a link to Average Setback Survey:

[Average Setback Survey](#)

## DAY 87: TURNED AWAY AGAIN

We went back to the City of Atlanta building department yesterday to try once again to submit our permit application. After waiting for about two hours, we finally got called up by the "intake" guy to review our plans to make sure they had all the basic information needed to submit (this is the way it works here). Unfortunately, once again, we were denied.

The first mistake was that we printed our survey not-to-scale. I didn't expect the intake guy to actually pull out a ruler and check the scale, but he did. And it was off due to our printing it on the wrong sized paper. He likely would have let that one detail slide if there weren't other issues as well. Our plans didn't include all the footing details it needed, it didn't include the right cross-sections for our second floor framing and it didn't include any of our deck plans. Plus lots of other little stuff. From what

## Diary of a New Construction Project

I've heard, different intake people will require different things, but I'm guessing some of this stuff would have been required by anyone we spoke with.

Anyway, we sent the feedback to our architect who is in the process of updating the plans. Hopefully we can try again next week...

### DAY 91: FRAMING/DRY-IN BIDS

While waiting for our permits to make some progress, we've started getting some bids to frame the house. I had originally estimated about \$15,000 for this work, but it turns out that this is one of those things that every bid is going to look different. Some include just the framing, some include full dry-in (installation of doors, windows, decking, subfloor, etc), some include more or less here and there. So, we're finding that it's difficult to get an apples-to-apples comparison of our framing costs.

One thing that we've learned is that the cost of materials will highly depend on the design of the flooring system, the roofing system and other main structural design elements. Each lumber company is happy to have their engineers look at the plans, make recommendations on how the house should be framed and then give a bid on materials based on that design. Unfortunately, three separate lumber companies have given us three separate designs, take-offs and bids.

Ultimately though, we found the company we wanted to do our framing -- in fact, they're going to do all of our framing, dry-in, roofing, siding, doors and windows. Not only did they have the best price, but the fact that they're doing all the work should help condense the schedule considerably.

Here are their bids:

[Click for Framing Bid](#)

[Click for Siding Bid](#)



## Diary of a New Construction Project

[Click for Roofing Bid](#)

[Click for Door Bid](#)

[Click for Window Bid](#)

Now that we have these bids, it really helps us validate some of our budget assumptions. I originally estimated about the framing, house wrap, roof decking and subfloor to be about \$21,000. The main framing bid we received was about \$28,000 -- so I was a good bit low there.

On the bright side, I budgeted about \$9000 for doors and windows, and that's actually closer to about \$3000 (I forgot to consider how easy door and window installation is when you install during framing).

I estimated \$12,000 for siding, and that came in around \$9400. And I estimated \$3500 for roof, and that came in around \$4100.

Overall, while I was high in some places and low in others, the estimates I put together for all this work were pretty close to what we'll end up paying.

Here's what our current budget looks like based on these bids...just a few thousand over at this point:

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Building Permits	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Drawing/Architect	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00	\$ 800.00
Foundation	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -
Framing	Framing	\$ 28,630.00	\$ -	\$ 28,630.00	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 8,000.00	\$ -	\$ 8,000.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
Painting	Interior Paint	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 8,000.00
Doors/Windows	Exterior Doors	\$ -	\$ 796.62	\$ 796.62	\$ 3,000.00
	Interior Doors	\$ 1,500.00	\$ 3,500.00	\$ 5,000.00	\$ 5,000.00
	Windows	\$ 475.00	\$ 1,737.12	\$ 2,212.12	\$ 6,000.00
Electrical	Upgrade Service and Panel	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
	Power Pole	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Rough Electrical	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
	Finish Electrical	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00
Plumbing	Rough Plumbing	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
	Finish Plumbing	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00
	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00	\$ 3,000.00
Cabinets	Kitchen Cabinets	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
Flooring	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00	\$ 850.00
HVAC	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
Appliances	Install Appliances	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
General	Punch List	\$ -	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00
Cleaning	Cleaning	\$ 150.00	\$ -	\$ 150.00	\$ 150.00
	INTERIOR TOTAL:	\$ 111,710.00	\$ 21,683.74	\$ 133,393.74	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
Exterior Painting	Exterior Painting	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Deck	Build Deck	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
Landscaping	Landscaping	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	EXTERIOR TOTAL:	\$ 25,022.31	\$ -	\$ 25,022.31	\$ 29,000.00
			TOTAL:	\$ 158,416.05	\$ 155,000.00

## Diary of a New Construction Project

Btw, given the new current budget estimate (\$158,400) and the new proposed square footage, our current build price is looking to be about \$60/sf. But, I don't expect it to stay that low...I have a feeling there are some things I'm still under budgeting for or forgetting altogether...

### DAY 101: GETTING AN EXPEDITOR

After struggling with the permitting process for several weeks with the City of Atlanta, we decided to get some help. I assume it's the same in many big cities, but here in Atlanta, with the permitting process so difficult, there are people and companies who specialize in helping get through the permit process.

We've spoken with several expeditors, whose fees range from \$600 to \$1500 for the service, and landed on working with a woman who spent many year working for the building department -- she knows the process, knows the staff and can hopefully bypass a lot of the bureaucracy. She's charging us \$1000, which we believe is well worth it!

She's told us what she needs to keep the process moving -- some of it stuff that we're already working on -- and we're hoping to get her the requested permit package for resubmission in the next few days. She thinks it will take anywhere from 6-10 weeks get our permits once everything is submitted.

# Diary of a New Construction Project

## DAY 102: FOUNDATION BIDS

We've been getting foundation bids for the past couple weeks. The big decision we've needed to make is whether we wanted to go with a block (cinderblock) foundation or poured concrete. While we assumed block would be cheaper, it turns out that in Atlanta, code now requires block foundation walls to be filled with concrete anyway, so there isn't much (if any) savings.

Surprisingly (and happily) our foundation bids have all been within a few thousand dollars of each other, and within a few thousand dollars of my estimate. This is good, as we don't know much about the cost of pouring new foundations, and we weren't looking forward to having to sort through the nuances of the bids to determine which direction to go.

Anyway, here are the bids we've considered...we'll likely go with the first one that came in around \$9100:

### **Foundation Bid #1**

### **Foundation Bid #2**

### **Foundation Bid #3**

### **Foundation Bid #4**

We also realized that we're going to need to do some more significant excavation and grading than we had expected. Our heavy equipment guy has agreed to do all the excavation, dirt moving, grading and installation of the silt fence.

His total price is \$3000, and he'll be the first guy on-site once we have permits in place.

# Diary of a New Construction Project

## DAY 127: PERMIT UPDATE

It's been almost a month since the expeditor got our permits submitted to the City of Atlanta, and we finally got some feedback.

**Zoning Review:** Approved

**Sewer Capacity Review:** Approved

**Site Development:** Revisions Required. The site development review is requiring one addition:

1. Addition of a "dirt statement" to the plan. This tells them how much dirt we'll remove, how much we'll replace, and what we'll do with anything left over;
2. Additional of an "Erosion and Settlement Control Plan." This should be boilerplate verbiage that can be taken directly from the Building Department's website.

**Arborist Review:** Revisions Required. The arborist had a few issues:

1. There is a tree on the survey that isn't marked with it's DBH (basically, the tree diameter);
2. There is a retaining wall on the survey that isn't marked with elevations (it is, but they apparently missed it);
3. There is a tree that we noted will be impacted about 35% by construction. Anything over 33% means that the tree could end up being killed, and we'll need to pay a "recompense" fee. That fee needs to be calculated using the city's formula, and that fee must be included on the drawings;
4. We apparently need a new shade tree in the front yard (no idea why);

## Diary of a New Construction Project

5. There's a new requirement for the builder to handle the first 1% of rainwater, through one of several mechanisms. We need to make it clear which mechanism we'll use (we're going with a "rain garden") and draw it to scale on our site plan.

**Building Review:** Revisions Required. The building review department is requiring several changes:

1. Revise stair section to match proposed floor plan;
2. Revise building section to show insulation for floor, exterior and roof. Specify R-values;
3. Size of rim board is smaller than floor joist and must be revised;
4. Specify size for the proposed TJI's for both floors on the framing plans;
5. We've decided to include a fireplace, so that needs to be drawn as well.

We've decided that I'll try to do all the revisions on the site plan (the stuff needed for Site Development and the Arborist) and we'll have the architect revise the drawings based on the feedback by Building Review.

## Diary of a New Construction Project

### DAY 128: EXTRA COSTS

There have been a lot of extra costs that have crept up on us as we work our way through the project, and we haven't even started construction yet!

Here are just a few of the extra costs I didn't factor for:

- Recompense Fees: Any time you lose a tree on site, you're going to pay the city a fee. This will end up being about \$300.
- Permit Printing: Printing copies of drawings and permit documents is expensive. We'll likely have about \$300 in printing costs.
- Permit Fees: I underestimated the cost of permits. I had assumed we'd pay about \$3000 between demo and construction permits, but it's looking to be closer to \$4000.
- Expeditor: The expeditor we hired will be about \$1000.
- Demo: After the demo fiasco where we had to take the foundation down completely, we spent an extra \$825 to have the existing foundation removed (this wasn't part of the demo company's scope of work).
- Staking/Grading: We didn't realize that we'd need to excavate and grade the property as much as we will have to in order to get the correct grade on the foundation. Between this and the silt fence, we'll pay about \$3000. Also, we realized that to be safe, we should pay our surveyor to stake the building boundaries before the foundation is poured. Figure another \$250 for that.

All-in-all, that's about \$7000 in extra costs even before construction begins.

Here is a current budget update...we're about \$14,000 over our original projected budget and currently tracking to about \$65 per square foot:

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Recompense Fee	\$ 300.00	\$ -	\$ 300.00	\$ -
	Permits - Permit Fee	\$ 1,800.00	\$ -	\$ 1,800.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 300.00	\$ -	\$ 300.00	\$ -
Drawing/Architect	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00	\$ 800.00
Foundation	Brick Removal from Demo	\$ 450.00	\$ 375.00	\$ 825.00	\$ -
	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
	Grading/Silt Fence	\$ 3,000.00	\$ -	\$ 3,000.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 9,180.00	\$ -	\$ 9,180.00	\$ -
Framing	Framing	\$ 28,630.00	\$ -	\$ 28,630.00	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 8,000.00	\$ -	\$ 8,000.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
Painting	Interior Paint	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 8,000.00
Doors/Windows	Exterior Doors	\$ -	\$ 796.62	\$ 796.62	\$ 3,000.00
	Interior Doors	\$ 1,500.00	\$ 3,500.00	\$ 5,000.00	\$ 5,000.00
	Windows	\$ 475.00	\$ 1,737.12	\$ 2,212.12	\$ 6,000.00
Electrical	Upgrade Service and Panel	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Plumbing	Finish Electrical	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00
	Rough Plumbing	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
	Finish Plumbing	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00
Cabinets	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00	\$ 3,000.00
	Kitchen Cabinets	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
Flooring	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
HVAC	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00	\$ 850.00
	HVAC	\$ 8,200.00	\$ -	\$ 8,200.00	\$ 7,500.00
Appliances	Install Appliances	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
General	Punch List	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,600.00
Cleaning	Cleaning	\$ 200.00	\$ -	\$ 200.00	\$ 150.00
Overhead	Parking, Etc...	\$ 100.00	\$ -	\$ 100.00	\$ -
INTERIOR TOTAL:		\$ 119,290.00	\$ 21,458.74	\$ 140,748.74	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
Exterior Painting	Stone and Trim on Exterior	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 3,000.00
	Exterior Painting	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Deck	Build Deck	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
Landscaping	Landscaping	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 500.00
EXTERIOR TOTAL:		\$ 28,022.31	\$ -	\$ 28,022.31	\$ 29,000.00
TOTAL:				\$ 168,771.05	\$ 155,000.00



## Diary of a New Construction Project

### DAY 141: SUBMIT NEW PERMIT INFO

Our architect had some personal family issues, and wasn't able to get to the revisions we needed for nearly a week. It took 14 days to get everything that was requested by the permit department in order and back to our expeditor, and she was able to get everything submitted today to keep the process going.

We're hopeful that this will be the last major round of revisions and that we'll have our permits in the next week or two...or three...or four...

### DAY 150: ARBORIST SUCCESS!

We've hit the 6 month mark, and we got our first piece of good news from the permit office. The arborist has approved our plans and has posted notice that we have approval to move forward. Now we just need similar approval from the architectural reviewer, and then we'll have our final permits.

Hopefully that will happen in the next couple days...

## Diary of a New Construction Project



### DAY 154: GETTING CLOSER

We found out today that we should be getting our architectural review approval in the next day or two...which should be the last hurdle to getting our permits.



## Diary of a New Construction Project

Total Cost of the Expeditor: \$1000

I wasn't sure how much the permitting process would cost, but all-in (expeditor included), we're looking to be somewhere in the \$5300 range -- a good bit more than I had expected (we budgeted \$3000).

Now that we have permits in hand, we're ready to move forward as quickly as possible.

We talked to our surveyor and asked him to stake out the structure boundaries for the grading and foundation guys -- don't want to take any chances on building the house in the wrong location. He wanted \$325 to place 8 stakes (I'm in the wrong business!), but we negotiated him down to \$250. He'll be doing that today.

We met with our grading/excavation guy this morning, and he's ready to start moving dirt -- he's recommending much more excavation than previously expected (to make building the walls easier and more consistent), and the foundation guys agree with him. That will be an extra couple thousand dollars, but it will make the foundation pour much easier and cleaner, so it's a no-brainer. He's ready to start tomorrow.

We also met with the foundation crew this morning, and they're ready to start building forms and pouring concrete as soon as the site is prepared. Assuming the extra site prep, they're still good with the estimate they gave, though the final numbers will depend on the actual amount of concrete poured.

Lastly, we have our termite company on standby to do termite treatments once the footers are poured (they'll treat the dirt around the footers/piers). That will be a few hundred dollars.

The goals for the next 10 days are as follows:

1. Stake out the property boundaries
2. Grading/excavation
3. Build forms for footers

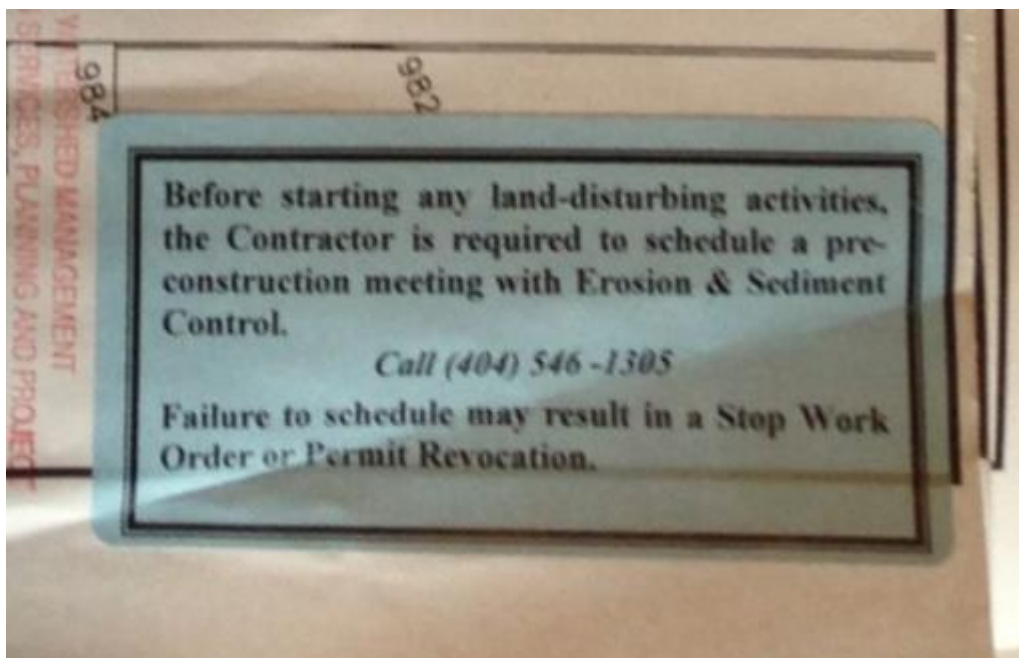
## Diary of a New Construction Project

4. Building inspection for footer holes
5. Pour concrete for footers
6. Build forms for walls
7. Building inspection for wall forms (I think???)
8. Pour walls

Only issue at this point (that we know about! :), is that they're calling for rain for the next several days...

### DAY 161: NOT SO FAST!

If you recall, we got our permits yesterday. But, unfortunately, that doesn't mean we're ready to break ground just yet. My partner noticed the following note in the stamped permit package from the city:



## Diary of a New Construction Project

We called the number and the inspector isn't available to meet until at least tomorrow and possibly the following day. Looks like our grading isn't going to start just yet... :(

The surveyor did get out to the property to stake the boundaries of the building. Here's his invoice for that work (we ultimately talked him down to \$250):

### **Boundary Setting Invoice**

And here's what our budget is looking like at this point in the project, now that demo and permits are done and we have bids for foundation and framing:

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Recompense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,796.00	\$ -	\$ 1,796.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 310.32	\$ -	\$ 310.32	\$ -
Drawing/Architect	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00	\$ 800.00
	Brick Removal from Demo	\$ 450.00	\$ 375.00	\$ 825.00	\$ -
Foundation	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
	Grading/Silt Fence	\$ 3,000.00	\$ -	\$ 3,000.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 9,180.00	\$ -	\$ 9,180.00	\$ -
Framing	Framing	\$ 28,630.00	\$ -	\$ 28,630.00	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 8,000.00	\$ -	\$ 8,000.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
Painting	Interior Paint	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 8,000.00
Doors/Windows	Exterior Doors	\$ -	\$ 796.62	\$ 796.62	\$ 3,000.00
	Interior Doors	\$ 1,500.00	\$ 3,500.00	\$ 5,000.00	\$ 5,000.00
	Windows	\$ 475.00	\$ 1,737.12	\$ 2,212.12	\$ 6,000.00
Electrical	Upgrade Service and Panel	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
	Finish Electrical	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00
Plumbing	Rough Plumbing	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
	Finish Plumbing	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00
	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00	\$ 3,000.00
Cabinets	Kitchen Cabinets	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
Flooring	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00	\$ 850.00
HVAC	HVAC	\$ 8,200.00	\$ -	\$ 8,200.00	\$ 7,500.00
Appliances	Install Appliances	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
General	Punch List	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,600.00
Cleaning	Cleaning	\$ 200.00	\$ -	\$ 200.00	\$ 150.00
Overhead	Parking, Etc...	\$ 100.00	\$ -	\$ 100.00	\$ -
	INTERIOR TOTAL:	\$ 119,281.32	\$ 21,458.74	\$ 140,740.06	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 3,000.00
Exterior Painting	Exterior Painting	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Deck	Build Deck	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
Landscaping	Landscaping	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 500.00
	EXTERIOR TOTAL:	\$ 28,022.31	\$ -	\$ 28,022.31	\$ 29,000.00
	TOTAL:			\$ 168,762.37	\$ 155,000.00
	Cost/Square Foot			\$ 63.16	2672 Square Feet



## Diary of a New Construction Project

As it stands, we're at about \$63 per square for the project, given our new (and presumably final) square footage of 2672 sf.

### DAY 162/163: EROSION CONTROL INSPECTION

Unfortunately, the erosion control inspector wasn't available to come to the property the following day for the pre-start-of-construction inspection (see my last post), but was able to come out the next day.

She spent about 30 seconds looking around, was satisfied that we were in good shape to start construction, and gave us our approval to officially start.

Only problem is that this is now Friday morning, and our grading/excavation guy isn't going to want to start work until Monday. So, while we got our permits on Tuesday of this week, we lost the entire week to more bureaucracy.

On the bright side, we're scheduled to FINALLY break ground on Monday morning!

### DAY 166/167/168: RAINED OUT

Just when we think we're ready to start, mother nature has different ideas. Monday, Tuesday and Wednesday of this week were filled with thunder storms, and our grading guy had no shot of starting the work.

We're hoping Thursday will be the magic day to actually break ground on this project...see you tomorrow...



## Diary of a New Construction Project

### DAY 169: DELAYED AGAIN

This time I can't even blame the government or the weather. My grading guy didn't show up this morning; apparently one of his trucks (with the Bobcat) broke down about an hour from Atlanta the night before and they're still working on getting the equipment repaired and on-site.

Tomorrow is Friday, and he assures us he can get the work done in one full day...so in theory, we start tomorrow and then get to work on the foundation at the beginning of next week.

### DAY 171: BREAKING GROUND

Today, we completed the installation of the silt fence (the fence that keeps the dirt from being moved or washed away off the property) and excavation/grading of the site in preparation for the foundation.

Here are a few pictures:



## Diary of a New Construction Project



And here is the invoice from the grading company (there will be another \$500 worth of work at the end of the project to clean up and grade the back yard:

## Diary of a New Construction Project

Allied Developments, Inc 1426 Towne Lk Pkwy Suite 102-240 Woodstock, Ga 30189		<b>Invoice</b>							
<table border="1"><tr><td>Bill To</td></tr><tr><td></td></tr></table>		Bill To		<table border="1"><tr><td>Date</td><td>Invoice #</td></tr><tr><td>6/24/2013</td><td>161</td></tr></table>	Date	Invoice #	6/24/2013	161	
		Bill To							
Date	Invoice #								
6/24/2013	161								
		<table border="1"><tr><td>P.O. No.</td><td>Terms</td><td>Project</td></tr><tr><td></td><td>Due on receipt</td><td></td></tr></table>	P.O. No.	Terms	Project		Due on receipt		
P.O. No.	Terms	Project							
	Due on receipt								
Quantity	Description	Rate	Amount						
	Atlanta	0.00	0.00						
	Digging out and/or all necessary grading at site for over all partial crawl space. All excess fill pushed to rear of property as well as installing a necessary silk fencing	2,500.00	2,500.00						
It's been a pleasure working with you!		<b>Total</b>	\$2,500.00						
<a href="#">Pay online at:</a>									

Today is Friday, so there won't be any work done the next two days. We're expecting to have the foundation footers dug and foundation forms built on Monday, with inspections on Tuesday and pouring of concrete next Wednesday. Then we build the wall forms and pour the walls at the end of next week.

That's assuming the weather and the inspections department don't work against us...

# Diary of a New Construction Project

## DAY 174: FOOTER FORMS

Nobody worked over the weekend, so here we are on Monday (Construction Day 3) and the foundation guys are putting the forms in place for the foundation/footers and digging the footer holes.

This is a one-day task, and they'll call for an inspection of the forms and holes for tomorrow. Once we pass that inspection, we should be good to start pouring concrete for the foundation/footers.

Here are some pictures of the forms going into place:





## Diary of a New Construction Project



### DAY 175: POURING FOUNDATION/FOOTERS

We built our foundation forms and dug our footers yesterday, and the foundation guys called in an inspection request before the concrete was poured.

It's been raining since last night, and our project manager is bailing water out of the footer holes while waiting for the inspector. The inspector finally shows up, pulls our plans out of the permit box, looks at them, looks at our project site, and then says, "The plans call for #5 rebar for the concrete, and it appears you have #4 rebar

## Diary of a New Construction Project

installed. Also, you don't have enough detail on your foundation wall drawings, so I can't let you proceed with wall construction either."

The inspector then fails us, telling us that we'll either have to replace the rebar (several hundred dollars in materials and labor) or get our plans revised (several days/weeks waiting for plan review). And we'll need to get our wall detail revised either way.

My partner calls the foundation guy to see what we should do. The foundation guy asks who the inspector is, and when we tell him, he says he'll call us back in 30 minutes. A little while later, he calls us back and says, "I talked to the inspector and it's taken care of...it will cost an extra \$100, but we passed the footer inspection. As for the wall detail, we have a standard cross-section diagram you can use that the city should approve. We can start pouring concrete this afternoon for the foundation/footers, but you'll need to get the plans re-approved with the new wall detail -- just go downtown and they should stamp it right there."

Turns out the \$100 was for a third-party engineer to review the rebar change (absolve the inspector of any responsibility should it be an issue in the future). And the foundation guy got us a copy of the wall detail for us to take to the building department to get stamps as part of our drawings.

With inspection passed, we had the concrete truck on-site a couple hours later and was pouring concrete that day. Other than the fact that we were about a half-yard of concrete short, so a couple of the footers and section of foundation didn't get poured. But, that will be done along with the walls.

Here are some pics of the concrete pouring:

## Diary of a New Construction Project






## Diary of a New Construction Project





## Diary of a New Construction Project

And here is the letter we got from the third-party engineer approving the piers:

**Geo-Enviro**  
ENGINEERING  
*Affordable, Common Sense Solutions*

2300 Bethelview Road, Ste. 110-315  
Cumming, GA 30040

678-615-2399 (o) / 770-674-1493 (fax)  
office@geoenviro.biz

Date: June 27, 2013

CITY OF ATLANTA  
THIRD PARTY ENGINEER INSPECTION REPORT

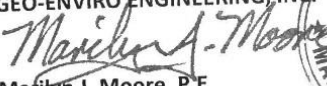
Inspection Date: June 25, 2013  
City: Atlanta  
Building Permit #:                       
Job Address:                       
Lot:              Block/ Unit:               
Subdivision: N/A  
Builder Name:                     


Structure: Crawlspace Type of Inspection: Continuous Spread Footing  
Soil: Orange Red Sandy Clayey Silt Estimated Bearing Capacity: 2400 psf  
Compaction Density: 95% Other Comments: Concrete Piers Installed  
☒ Meets Article 250.50 and 250.52(A)(3) of the 2011 National Electrical Code  
for grounding. Ground Rod Location: Left Front

Inspection Results: [ X ] Passed [ ] Failed

The continuous spread footing meets or exceeds specifications on the approved city plan, meets or exceeds the requirements of the 2006 International Residential Code and all state and local amendments for foundations. If you have any questions regarding this report, please call at your convenience.

Very truly yours,

GEO-ENVIRO ENGINEERING, INC.  
  
Marilyn J. Moore, P.E.  
GA P.E. Number 018777  
ICC Certification Number 5190903-R5



# Diary of a New Construction Project

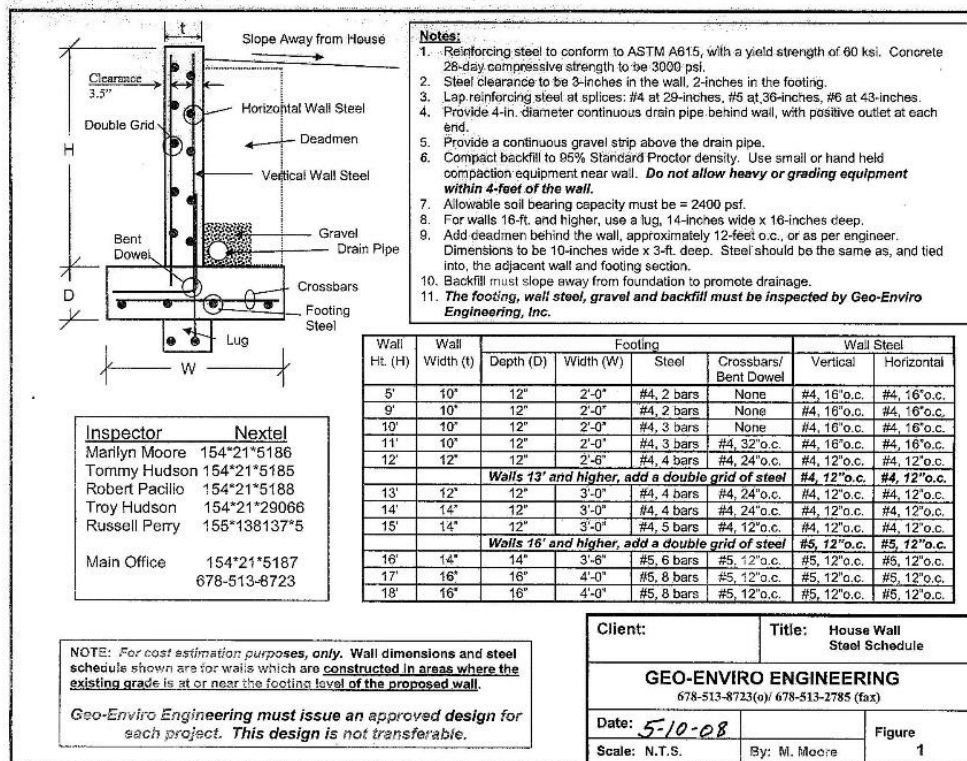
## DAY 176: MORE DELAYS

We headed down to the permit office to get the wall detail drawings approved so we could move forward with building our wall forms and pouring our walls. Unfortunately, it turns out that once you have a reviewer assigned, you need to continue to use that reviewer for all changes/updates. And our reviewer is on vacation this week!

We called our expeditor, and she is trying to work around the absence of our reviewer, but I'm not confident we're going to get this signed off this week. And given the rain we've been having, I'm not sure it would matter anyway.

Best case now is that we get the sign-off next Monday and can make a little progress next week. But next week is 4th of July (on Thursday), so I'm guessing we won't make much progress, even if we do have permit approvals.

Here are the wall detail drawings we're hoping to get approved:



## Diary of a New Construction Project

### DAYS 177-180: STILL WAITING

The permit reviewer is on vacation and there's nobody else who can review the wall detail drawings for our permits and allow us to get moving on building our foundation walls.

Not that it really matters -- we've had thunderstorms every day for the rest of this week. Due to the reviewer being out and the weather, we've lost Thursday through Sunday of this week.

Hopefully she'll be back in the office on Monday morning, and hopefully the weather will clear up...

### DAYS 181-187: APPROVAL...RAIN, RAIN, RAIN...HOLIDAY

On Monday, the permit reviewer finally returned from vacation and we were down there bright and early with our wall drawings looking for sign off. Surprisingly, there were absolutely no issues. I guess she was embarrassed that she missed it in the first place (and the inspector had to catch the mistake), but within just a couple minutes, we were approved to start the wall forms.

Except that it was raining...all day. And the next day. And the next day. Then it was 4th of July. Not that it mattered, because it was still raining. And raining. And raining.

The entire week was lost to rain. And they're calling for rain through Sunday evening. Hopefully next week will be a little drier and we can get our walls formed and poured.

## Diary of a New Construction Project

### DAY 188: WALL FORMS

It's Monday and the sun has finally come out (though our site is a swamp, as you'll see in the pics below). After losing a complete week and a half to bad weather, we got our wall forms installed today. Only issue is that because we didn't finish pouring two footers when we did the initial concrete pour, we were unable to build the forms for those two concrete piers. The concrete guy suggests that when we do the wall pours, we actually pour the concrete footers first, and by the time the walls are then poured, they can have those two forms in place and those two piers poured as well.

I'm not sure if the inspector will go for it, but we'll give it a try. The other issue is that we finished the walls late at night and the city's computers are down, so we can't call in the inspection for tomorrow. The foundation guy knows the inspector, so he's hoping to make a call tomorrow morning and pull some strings and get the inspector out there...I guess we'll see.

Here are some pics of the wall forms:





## Diary of a New Construction Project



## Diary of a New Construction Project



## Diary of a New Construction Project

### LESSON: PLUMBING/SEWER CONDUITS

If you see my most recent post above, you'll notice that we're finally jumping into the core of the actual construction. We've done a lot of renovations over the past 5 years (a couple hundred), so I'm pretty comfortable with the basics of construction, but what I'm learning is that there are a lot of intricacies when it comes to new construction. I figure I'll discuss some of those intricacies as they come up.

As we've been working on our foundation, there have been a couple things I've realized/learned:

1. Once the wall forms were up, my partner and I realized that one of the big jobs of a GC/foreman is to ensure that the trades are doing what they're supposed to be doing, and doing it right. Certainly, the city inspectors are checking for the big stuff (hopefully), but there are lots of little items that they certainly don't check for. And we have no idea what all those little items are!

For example, while we were out there, we decided it would probably be smart to verify the foundation is both the correct size and that the foundation is square. We grabbed a long tape measure and measured all four sides of the building -- all were within about 1" of being correct, so we were good there.

In order to verify that the structure was square, we measured corner-to-corner along both long runs. We were pleased that they were exactly equal. So, we were confident that the foundation was properly sized and square.

But, that made us realize that there were probably a dozen other things we should be verifying/checking as we go through the process. Luckily, our project manager has done plenty of new construction, so I'm sure he knows what to look for, but he's on vacation this week, so it's up to us.

It's always scary when you don't know what you don't know...



## Diary of a New Construction Project

2. Our foundation guy asked us where we wanted our plumbing and sewer conduits. In other words, the main plumbing line and the sewer line would need to run out of the crawl space to the city hook-ups in the street, and we needed to decide where exactly they'd be coming through the foundation.

Both my partner and I independently decided, "They can run under the footers/walls." We told this to the foundation guy, and he was good with that. But, luckily, before we poured the walls, our plumber happened to stop by while we were there. He opened up the manhole cover for the sewer, measured the depth and realized that the footer for the house was lower than the bottom of the sewer.

Because the sewer waste is carried by gravity ("\*\*\*\* flows downhill" :-), the sewer line coming out of the house needs to be situated above the sewer in the street so it naturally flows from the house to the street. Luckily the plumber realized this, and we were able to let the foundation guy know that the sewer line conduit needed to be embedded in the foundation wall, well above the height of the footer.

Also, the plumber advised that, because we plan to build a front deck that is inaccessible underneath (it's only about a foot off the ground), we should have the water and sewer lines run towards the corner of the house, so it's more easily accessible in the future, should there be an issue.

While neither of these mistakes would have been overly costly, it made us realize that there are a lot of intricacies that are very easily to overlook when you're doing this for the first time.

The foundation guy showed us how to situate the conduits in a way that the concrete guy would know what to do with them when he came to do his job:



## Diary of a New Construction Project



### DAY 189: INSPECTION (SORTA) & CONCRETE

What a ridiculous day. We weren't able to call in the inspection for the wall forms last night because the computers were down, but our foundation guy knows the inspector and called in a favor this morning -- the inspector says he'll do the inspection at some point today. Both my partner and my project managers are on vacation, so for just the second time in 5 years, I was stuck waiting at a job site for an inspector. And wait I did...

## Diary of a New Construction Project

Between my partner and myself, we were at the site from 8:00am until 4:30pm, and the inspector never showed up. Finally, my partner called the foundation guy and had him check in with the inspector. Turns out the inspector was tied up at other sites, and wasn't going to be able to get out there before the end of the day. But, he said that if we paid another \$100 to the third-party engineer, he'd take the engineer's approval and pass the inspection.

After waiting ALL DAY, we ultimately ended up just paying an engineer to give the approval and spending another extra \$100.

On the bright side, 30 minutes later, the engineer was on-site with our approval, and 15 minutes after that, the concrete truck rolled up and started pouring concrete -- all at 5:30pm at night.

Here's the engineering letter and some pics of the concrete walls (still in forms):

# Diary of a New Construction Project

Wall Footing ☒ Wall Steel  
Strip Footing \_\_\_\_\_  
Mono Slab \_\_\_\_\_  
B&G Slab \_\_\_\_\_  
Consultation \_\_\_\_\_  
1-Story ☒ 2-Story 2+ Basement \_\_\_\_\_

**GEO-ENVIRO ENGINEERING, INC.**  
2300 Bethelview Rd., Ste. 110-315, Cumming, GA 30040  
**FOUNDATION / WALL REPORT**

**FIELD REPORT**

By MM

Lot \_\_\_\_\_ Subdivision \_\_\_\_\_ County/City ATL  
Address \_\_\_\_\_ Permit No. BD201302122  
Contact \_\_\_\_\_ Builder \_\_\_\_\_  
Ph/Nextel \_\_\_\_\_ Invoice To: \_\_\_\_\_

Silt Fence \_\_\_\_\_ Gravel Pad \_\_\_\_\_ Slope \_\_\_\_\_ Level \_\_\_\_\_ All \_\_\_\_\_ Partial \_\_\_\_\_ Cut \_\_\_\_\_ Fill \_\_\_\_\_  
**Natural Soil Description** Type: \_\_\_\_\_ Est. Brg Capcty: \_\_\_\_\_ psf  
**Fill Description** Type: \_\_\_\_\_ Est. Brg Capcty: \_\_\_\_\_ psf Est. Mod. Proctor Density: \_\_\_\_\_ %  
Compaction: \_\_\_\_\_ Well \_\_\_\_\_ Moderate \_\_\_\_\_ Poor \_\_\_\_\_

**Footings Dimensions and Reinforcement** \_\_\_\_\_ **Slab** \_\_\_\_\_ **Spread Footing** \_\_\_\_\_  
Cont. Spread \_\_\_\_\_ 12" D x 20" W \_\_\_\_\_ 12" D x 24" W \_\_\_\_\_ Other \_\_\_\_\_ Steel: \_\_\_\_\_ #4s  
Turned Down \_\_\_\_\_ 20" D x 16" W \_\_\_\_\_ Other \_\_\_\_\_ Steel: \_\_\_\_\_ #4s

**Slab Information** \_\_\_\_\_ **Footings and Walls In Place** \_\_\_\_\_ **Subwall - Height** \_\_\_\_\_ ft.  
Gravel \_\_\_\_\_ 6 mil poly vapor barrier \_\_\_\_\_ Grade beams: \_\_\_\_\_ Under Walls \_\_\_\_\_ 12"x 14" \_\_\_\_\_ 12"x 20" \_\_\_\_\_ 12"x 26"  
6x6 10/10 WWM or \_\_\_\_\_ Fibermesh \_\_\_\_\_ Grid of #4s \_\_\_\_\_ in. o.c.e.w. \_\_\_\_\_ Wall Loops \_\_\_\_\_ Garage \_\_\_\_\_ Bsmt \_\_\_\_\_

**Piers:** How Many? \_\_\_\_\_ Size \_\_\_\_\_ Spacing \_\_\_\_\_ ft. oc. Depth \_\_\_\_\_ Steel \_\_\_\_\_

**Wall Dimensions** Thickness \_\_\_\_\_ 8" x Height \_\_\_\_\_ 3'-4" Design by: Geo \_\_\_\_\_ Other \_\_\_\_\_

**Wall Steel** #4 Vertical \_\_\_\_\_ 16 in. Horizontal \_\_\_\_\_ 16 in. Double Mat # \_\_\_\_\_ in o.c.e.w. \_\_\_\_\_

**Photos:** \_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_

NEC Rod? \_\_\_\_\_ Yes, Meets Article 250.52(A)(3) of the 2011 National Electrical Code for grounding.

**GEORGIA REGISTERED PROFESSIONAL ENGINEER**  
NO. 018777  
MARK MOORE  
Mark Moore

NOTE: All field reports are subject to review at our office

Needs Re-inspection \_\_\_\_\_  
☒ Approved \_\_\_\_\_  
Approved Subject to Comments \_\_\_\_\_

File Name \_\_\_\_\_  
Invoice No. \_\_\_\_\_

Date \_\_\_\_\_ Consult \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Site Visit \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Wall Design \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Wall Steel Insp. \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Helical Probe Testing \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Pier Insp. \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Footing Insp. \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Slab Insp. \_\_\_\_\_ \$ \_\_\_\_\_  
Date \_\_\_\_\_ Other \_\_\_\_\_ \$ \_\_\_\_\_



## Diary of a New Construction Project



## Diary of a New Construction Project



### DAY 190: WALL FORMS OFF

We have a foundation!

Next step is waterproofing the foundation (spraying a tar-like substance on the concrete and laying a foundation drain around the perimeter of the structure), and then it's on to framing. It's amazing how quickly everything progresses when the weather (and the building department) cooperates...



## Diary of a New Construction Project



# Diary of a New Construction Project

## DAY 191: WATERPROOFING

Our foundation walls got waterproofed today. They sprayed the concrete with a tar-like substance, which should keep any moisture from intruding, and they laid a foundation drain (basically a French drain) around the entire perimeter of the foundation.

Framing is scheduled to start next week (Monday), and the one new issue that's cropped up is that there are two very tall trees right off the back of the foundation, with branches overhanging where the structure will need to go up. Our tree guy will need to trim the trees up to about 30', which will likely cost us an extra \$450 that we hadn't accounted for. But, he should be able to get the work done tomorrow (Friday) or over the weekend, before framing starts.





## Diary of a New Construction Project





## Diary of a New Construction Project



### DAY 192: DOWN DAY

It's Friday, the foundation is complete, and we're ready to start framing. The framing crew doesn't want to start until Monday, so today is a lost day. We still need to prune the two big trees at the back of the property, and our tree guy expects to get to that over the weekend.

Next week should be an interesting one -- our framing crew comes in on Monday and they expect to have the house framed and ready for mechanicals to come in and start within 2 weeks. The same crew will be completing the framing, dry-in, siding, roof and front deck, so hopefully it will all go quickly and smoothly.

Here are a couple (not very interesting) pictures of the tree trimming:

## Diary of a New Construction Project



## Diary of a New Construction Project



### DAY 195: MAJOR MIX-UP

The framing company showed up today to drop off the framing material. When they arrived, they noticed that a couple of the foundation piers were offset from the rest, something that was added to our foundation design late in the process. They claimed that the material they had was based on the take-offs from the original foundation drawing, not the final drawing, and therefore the materials (including the flooring system) were not right for foundation that was actually there.



## Diary of a New Construction Project

There was some disagreement about whether it was our fault or theirs (our argument was that they were the ones who had suggested the offset pier design, so we assumed the engineer had communicated the change to the guys doing the take-offs), but ultimately, they were cool about the whole thing.

Unfortunately, it means that framing isn't starting today. They will get us a change order and new material ASAP...hopefully tomorrow or Wednesday. Then they'll get started on the framing by Wednesday or Thursday. This mix-up will end up costing us several days, which is too bad given that the weather is finally cooperating.

### DAYS 196-197: FRAMING MATERIALS

After the mix-up with the framing materials on Monday, the framing company spent Tuesday and Wednesday getting new framing materials delivered on-site.

Work is scheduled to start on Thursday, and they're still telling us that they should be able to finish framing by mid-next-week.

Here are some of the flooring system pieces that got delivered today:



# Diary of a New Construction Project

## DAYS 198-199: FRAMING BEGINS

Thursday and Friday were framing days. The framing crew arrived bright and early on Thursday morning and worked their butts off for two days.

The progress speaks for itself:



## Diary of a New Construction Project



Framing will continue on Monday and Tuesday of next week, with rough plumbing starting Wednesday, rough electrical starting Thursday and rough HVAC starting Friday. The company that did our framing will jump right into roofing and siding.

The following week we hope to complete all rough inspections, framing inspection, insulation and insulation inspection, so that we're ready for sheetrock the following week. We'll see if that schedule is realistic... :)

### DAYS 202-204: FRAMING CONTINUES

Monday through Wednesday of this week we continued framing, sheathing and roof decking, as well as building the front porch. For the most part, all framing is complete, and the framing company will be starting roofing and siding at the end of the week. On the interior, we'll be moving onto plumbing on Thursday, electrical and HVAC on Friday.

We realized that we hadn't planned for any low voltage wiring (alarm, phone, data, cable), and talking to our electricians, apparently there is a whole separate licensing for that work, which of them hold. We called a few people who are licensed, but the



## Diary of a New Construction Project

bids were ridiculous (\$1500 to run data, phone and alarm lines), so we decided that we'll just install a wireless alarm system (which are very common these days), not install phone lines (nobody should care) and to do data/cable installation as an upgrade for buyers who want it.

Here are some pics of the framing:



## Diary of a New Construction Project



### DAY 205: ROUGH PLUMBING

It's Thursday, and we're starting our rough plumbing. Tomorrow we'll start rough electrical and HVAC and hope to have our rough inspections early next week.

Some plumbing pics:



## Diary of a New Construction Project



## Diary of a New Construction Project



### DAY 206: MORE ROUGH WORK

It was a productive week. We're finishing up rough plumbing today (Friday), finishing up the exterior framing and starting HVAC and rough electrical.

On Monday, we'll start the roofing, on Tuesday we hope to have all rough mechanical inspections, on Wednesday we hope to have our framing inspection and start insulation, and on Thursday we hope to start siding and have our insulation inspection.



## Diary of a New Construction Project

Drywall should start either the end of next week or the beginning of the following week.

Here are some more pics:



## Diary of a New Construction Project

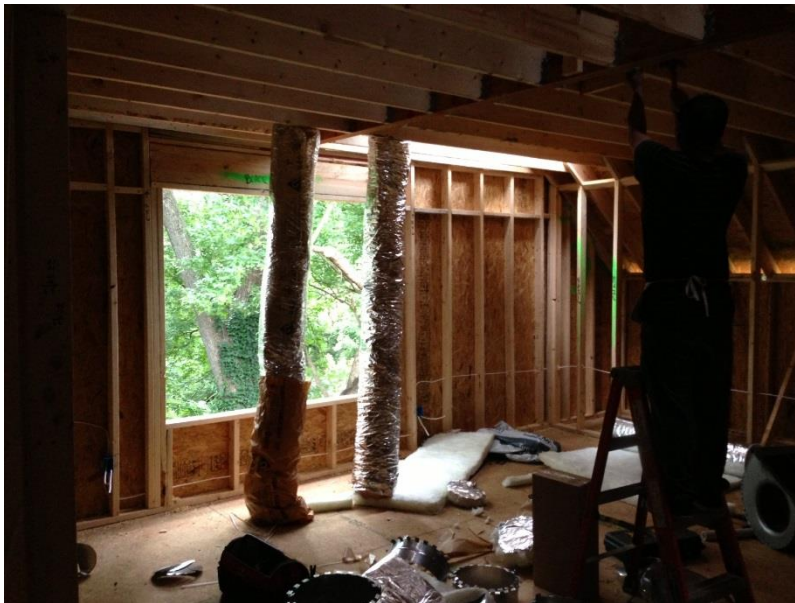


## Diary of a New Construction Project





## Diary of a New Construction Project





## Diary of a New Construction Project



### DAY 209-210: ROUGH COMPLETION/INSPECTIONS

It's been a good start to the week. We finished up rough electrical, plumbing and HVAC over the weekend and on Monday, and on Tuesday we had our electrical and plumbing inspections first thing in the morning. We passed both.

Our HVAC company forgot to call in the inspections for Tuesday, but they were able to pull some strings in the morning and get the inspector out there in the afternoon. We passed HVAC as well. So, all rough mechanical inspections have been passed.

We're waiting for our siding company to install the house wrap, which we'll need before we call for our framing inspection, and in the meantime, the roofers started on the roof today and should be complete by tomorrow.

We also had our grading company back-fill dirt around the foundation where it was excavated prior to construction starting. Turns out that they had moved less dirt than they had anticipated, and we actually are going to need more dirt delivered on-site to complete the back-fill.

## Diary of a New Construction Project



### DAYS 211-212: ROOF/DRY-IN

It's been a slow Wednesday and Thursday of this week. On Wednesday, we finished up the roof. On Thursday, the crew started dry-in, including house-wrap, door installation, window installation, etc. We'd likely be ready for framing inspection on Friday, but we've put it off to Monday just to be safe.

In the meantime, we're finalizes our sheetrock bids, ordering cabinets, putting together our flooring and trim plans, etc. I'll post all that stuff in subsequent post.

In the meantime, here are the final invoices from our rough electrical, rough plumbing, foundation waterproofing (we hadn't budgeted for this), and the first month of our porta-potty:



Eric Crowe  
Licensed Electrician  
5550 Stout Parkway  
Powder Springs, Ga. 30127  
404-416-9068  
Decrowe2003@yahoo.com

# Invoice

Invoice # 406

Date: 30 July 2013

To

**For**

Project

PO # Atlanta, Ga. 30316

Description	Hours	Rate	Amount
Rough-in portion of electrical work.	1	4200.00	4200.00
Labor and material amount= \$4200.00			
<b>Total</b>			<b>4200.00</b>

Thank you for your business.

Make all checks payable to Company Name.  
Total due in 15 days. Overdue accounts subject to a service charge of 1% per month.

## Randal Lowe Plumbing

Atlanta GA  
Custom  
Atlanta, GA ?

Total	\$4,232.00
-------	------------

# Diary of a New Construction Project

**Keystone Concrete Foundations, Inc.**  
575 James Road  
Alpharetta, GA 30004

Phone # (678) 990-8070 Fax # (678) 990-8074

**Invoice**

Date	Invoice #
7/11/2013	5407

Bill To

OK

Terms	Project
Net 15	<div style="background-color: white; height: 15px; width: 100%;"></div>

Quantity	Description	Rate	Amount
165	Waterproofing foundation, spray tar, lay aqua drain	4.50	742.50
20	Tail outs	2.25	45.00
A service charge of 1 1/2% per month will be charged on delinquent accounts.			<b>Total</b> \$787.50



## Diary of a New Construction Project

**M&B** P.O. BOX 646  
**PORTA POTTY** GRIFFIN, GA 30224  
770.228.1122

**Invoice**

Date 7/18/2013  
Invoice # 38852

**Bill To**  
Vanderbilt Custom Homes  
[Redacted]

P.O. # Atlanta Due Date 8/2/2013

Project/Job [Redacted] Terms Due on receipt

Description	Qty	Rate	Amount
Portable Toilet Service Service Once Per week Dates Through 07/23/13 through 08/20/13	1	85.00	85.00

Please Return This Portion With Payment  
Make all checks payable to M&B Porta Potty  
Thank you for your business!

portabletoilets@yahoo.com 770.228.1122  
www.mandbportapotty.com 770.228.7114

<b>Total</b>	\$85.00
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$85.00

Invoice # 38852 Date 7/18/2013

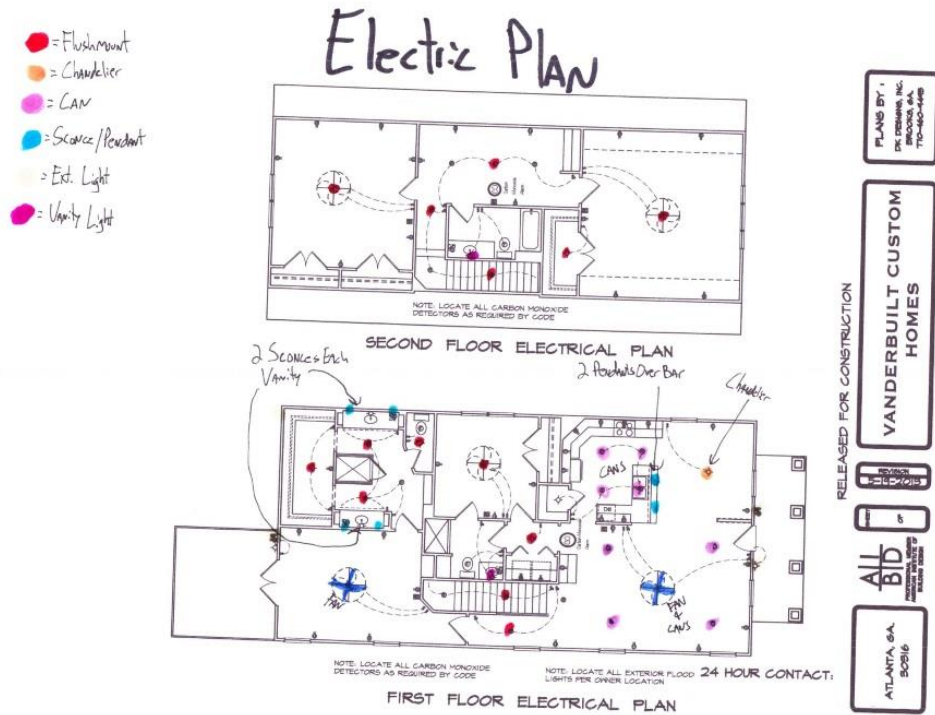


# Diary of a New Construction Project

## FINISH PLANS

As promised in the post above, here are the finish plans for the house:

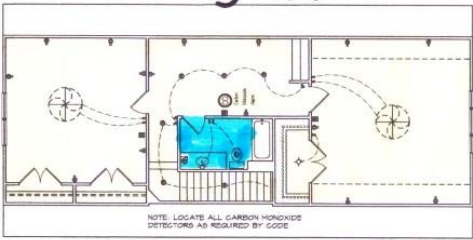
- Electrical Plan
- Flooring Plan
- Trim Plans
- Cabinet Plans



Diary of a New Construction Project

- = Hardwood
- = Tile
- = Carpet

Flooring Plan



SECOND FLOOR ~~ELECTRICAL~~ PLAN



FIRST FLOOR ~~ELECTRICAL~~ PLAN

RELEASED FOR CONSTRUCTION

PLANS BY:  
PK DESIGN INC.  
BROOKS & A.  
TTC-400-149

VANDEBUILT CUSTOM HOMES

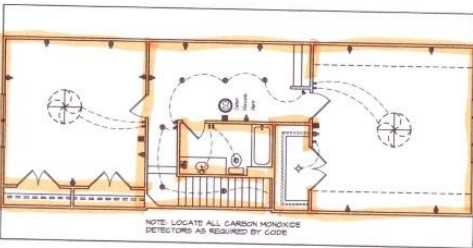
REVISION  
- 11/1/11

ALL  
BID  
- 11/1/11

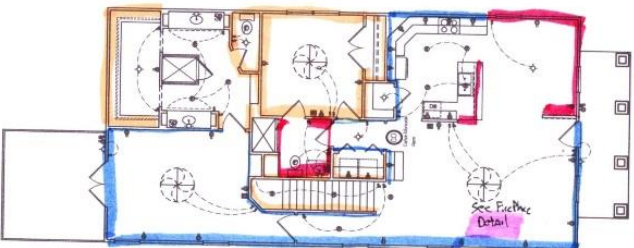
ATLANTA, GA  
50216

- = Base Only
- = Crown + Base
- = Crown + Base + Wainscoting

Trim Plan



SECOND FLOOR ~~ELECTRICAL~~ PLAN



FIRST FLOOR ~~ELECTRICAL~~ PLAN

RELEASED FOR CONSTRUCTION

PLANS BY:  
PK DESIGN INC.  
BROOKS & A.  
TTC-400-149

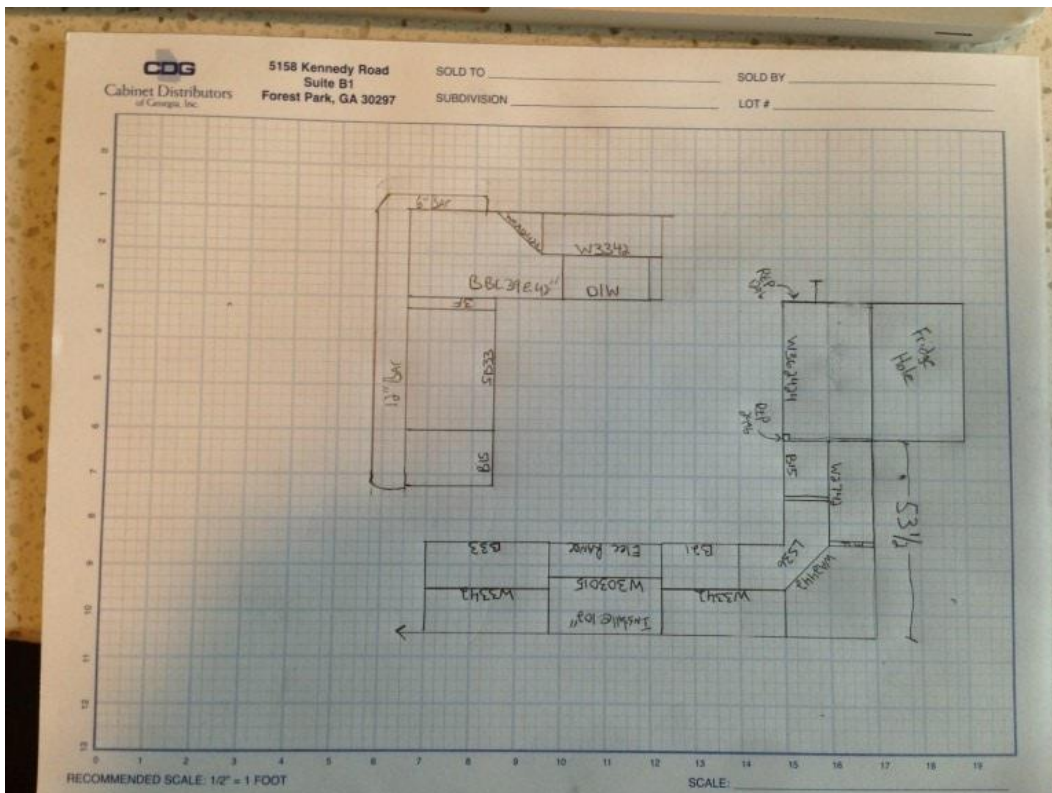
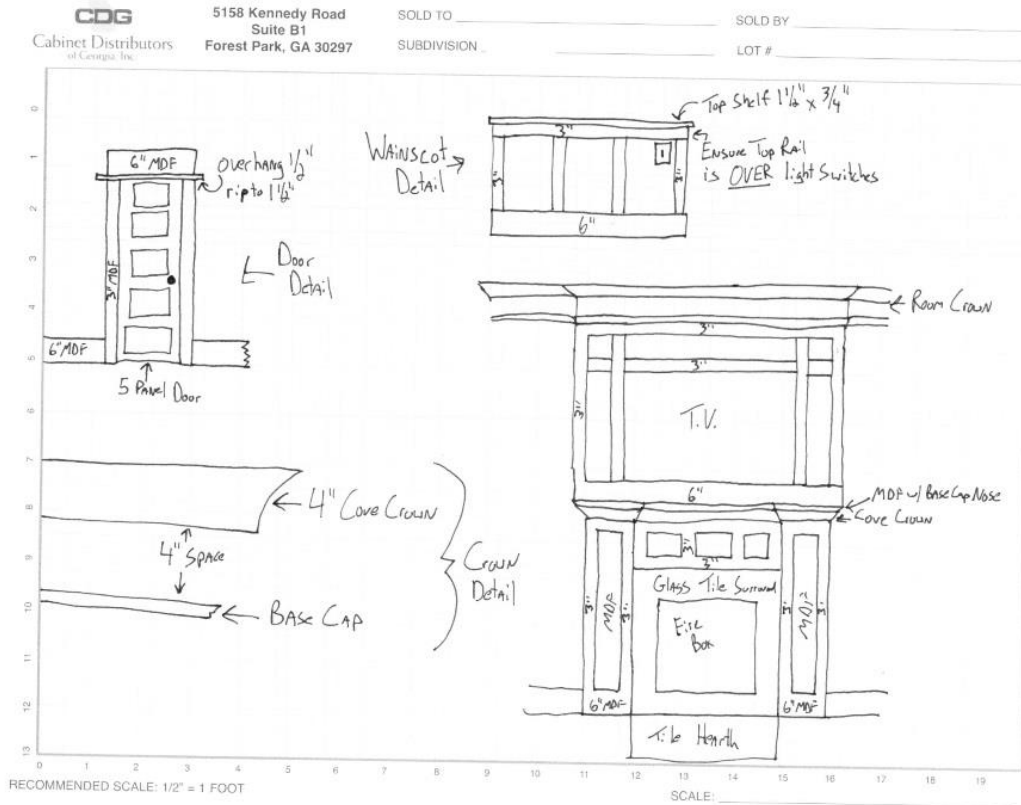
VANDEBUILT CUSTOM HOMES

REVISION  
- 11/1/11

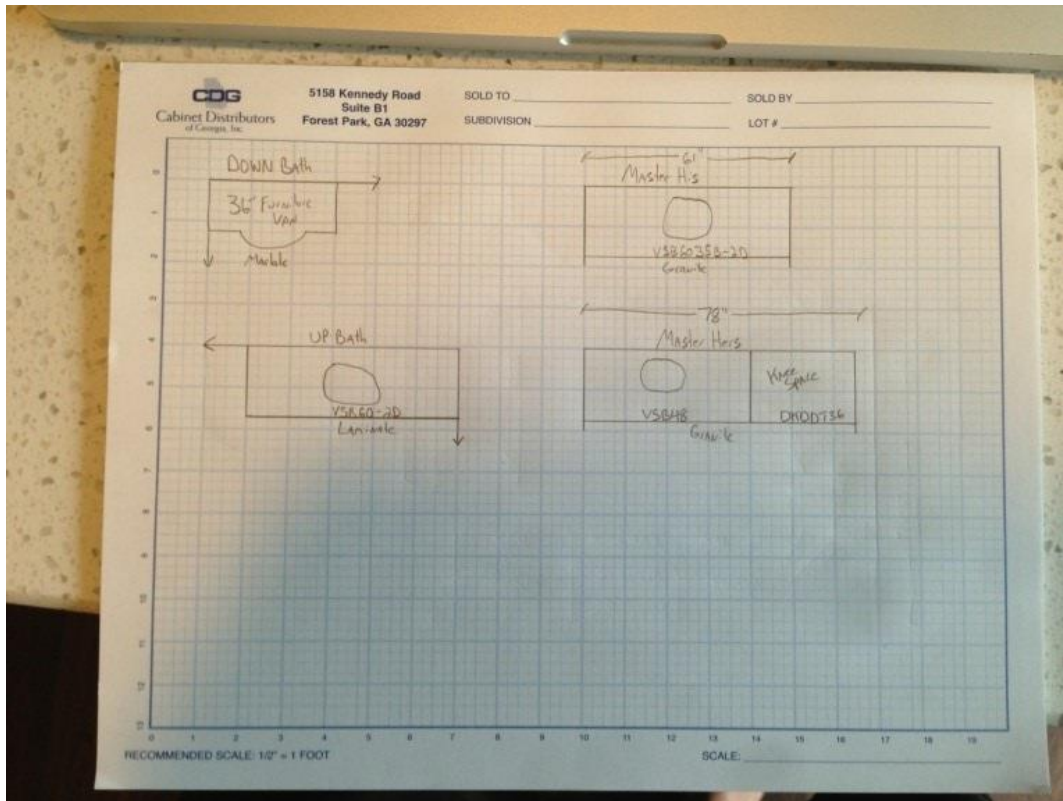
ALL  
BID  
- 11/1/11

ATLANTA, GA  
50216

# Diary of a New Construction Project



## Diary of a New Construction Project



### DAY 213: WRAP, DOORS, WINDOWS, DET TEST

The framing company finished up installation of the house wrap, exterior doors and windows today. Also, my partner has a keen eye, and noticed that on the interior staircase, the top step was slightly shorter than the rest of the steps on the staircase -- Atlanta code is that all steps must be 7.5", plus or minus 5/8". The top step was too short to meet code.

The framing company took full responsibility and while we haven't been back there yet to verify, we believe the issue was resolved and we're ready for framing inspection today (Monday).

We also learned of another testing expense we weren't familiar with. Apparently, when you install a new HVAC system, by code you must have a Duct and Envelope Tightness (DET) test. This is basically a test to verify that the central HVAC ducting



## Diary of a New Construction Project

is well sealed and leak-free. The test was \$150 through a third-party testing company, and we passed without issue.

Here are some pics of the house wrap, doors and windows:



## Diary of a New Construction Project





## Diary of a New Construction Project



### DAY 216: FRAMING INSPECTION

We passed our framing inspection today.

Tomorrow, we start insulation. Later in the week, we'll get our insulation inspection and start siding.

We expect to start drywall by the end of the week.

## Diary of a New Construction Project

### DAY 217: LEARNINGS & BUDGET UPDATE

Nothing much happening at the project today. We expect insulation to start tomorrow, insulation inspection on Thursday and then hopefully start sheetrock on Friday. In addition, we hope to have siding mostly completed by the end of the week.

In the meantime, here are some important things we've learned over the past several days:

- **Insulation.** Turns out that, technically, parts of our second story is counted as an attic space (by the city) instead of as a second story living space. This is because parts of the vaulted ceiling are not conditioned. This wouldn't be a big deal, except that it means we have to adhere to insulation requirements for attic space (R-19) instead of insulation requirements for living space (R-13). Unfortunately, R-19 batt insulation is much thicker than R-13 batt insulation, and the 2x4 framing on the second story won't support the thicker batt. Ideally, the second story would have been framed using 2x6 framing, but neither we, the engineer, the framers nor the architect realized this would be an issue, so we went with the 2x4 framing. Ultimately, the insulation company will need to install foam board insulation prior to using the R-13 batt to bring the insulation up to code, making our insulation more expensive than planned. Not a huge cost, but one that could have been avoided.

- **Crawl Space.** When we were planning the build of our foundation walls, the foundation company asked if we wanted our crawl space to be vented or not. We had no idea, so we asked what they recommended. Their response was, "We haven't done a vented crawl space since they removed that requirement 2 years ago." So, we told them to do what's typical, and not vent it. Turns out we didn't have all the information we should have when we made that decision. While it's true that a vented crawl space isn't required by code anymore, if the crawl isn't vented, code does require a dehumidification system to be installed and insulation to be installed on all the interior foundation walls. Ultimately, this would add a good deal of expense to our foundation cost. So, we figured out a way to retrofit the crawl to be vented -- we used a combination of the existing entry door to the crawl space and cutting vent holes in

## Diary of a New Construction Project

sections of the crawl space that are framed instead of poured concrete. We shouldn't incur any additional expense for this work, but not knowing the details of the code almost cost us significantly.

- **Driveway.** The existing driveway to this property (which was likely 50+ years old) was in pretty bad shape when we bought it. Between the dumpsters, heavy equipment and trucks entering and existing the property, the driveway has practically been destroyed. We hadn't budgeted for a new driveway, and that will now have to be added. Our best options are concrete, blacktop or crush-and-run (in order of most to least expensive) and my partner talked to another company who says they have a machine that will run over our existing driveway, and essentially crush it into gravel for an even lower price. We'll make a decision in the coming weeks on which way to go with the driveway, but for now, I'm putting an extra \$5000 into the budget.

In terms of budget, we're about \$25,000 over our original estimate, but we're also building about 700 square more than we had anticipated. At our \$67 per square foot building cost (based on current estimates), we'd actually be under budget if we had stuck with building our original floor plan.

Here's what our budget currently looks like (click to enlarge):

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Re-compense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,796.00	\$ -	\$ 1,796.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 310.32	\$ -	\$ 310.32	\$ -
	Porta-Potty	\$ -	\$ 200.00	\$ 200.00	\$ -
Drawing/Architect	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00	\$ 800.00
Foundation	Brick Removal from Demo	\$ 450.00	\$ 375.00	\$ 825.00	\$ -
	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
	Grading/Silt Fence	\$ 3,500.00	\$ -	\$ 3,500.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 10,328.50	\$ -	\$ 10,328.50	\$ -
Framing	Foundation Waterproofing	\$ 787.50	\$ -	\$ 787.50	\$ -
	Framing	\$ 28,630.00	\$ -	\$ 28,630.00	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 1,608.00	\$ -	\$ 1,608.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 546.00	\$ -	\$ 546.00	\$ 1,000.00
	Interior Paint	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 8,000.00
Doors/Windows	Exterior Doors	\$ -	\$ 737.46	\$ 737.46	\$ 3,000.00
	Interior Doors	\$ 1,500.00	\$ 2,500.00	\$ 4,000.00	\$ 5,000.00
Electrical	Windows	\$ 475.00	\$ 2,418.44	\$ 2,893.44	\$ 6,000.00
	Upgrade Service and Panel	\$ -	\$ -	\$ -	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
Plumbing	Rough Electrical	\$ 4,200.00	\$ -	\$ 4,200.00	\$ 3,500.00
	Finish Electrical	\$ 2,800.00	\$ 2,000.00	\$ 4,800.00	\$ 3,000.00
	Rough Plumbing	\$ 4,232.00	\$ -	\$ 4,232.00	\$ 3,000.00
Cabinets	Finish Plumbing	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00
	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00	\$ 3,000.00
	Kitchen Cabinets	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Flooring	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
HVAC	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00	\$ 850.00
Appliances	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
	DET Test	\$ 150.00	\$ -	\$ 150.00	\$ -
General	Install Appliances	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
	Punch List	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,600.00
Cleaning	Cleaning	\$ 200.00	\$ -	\$ 200.00	\$ 150.00
Overhead	Parking, Etc...	\$ 100.00	\$ -	\$ 100.00	\$ -
INTERIOR TOTAL:		\$ 121,553.32	\$ 21,280.90	\$ 142,834.22	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 3,000.00
Exterior Painting	Exterior Painting	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00
Deck	Build Deck	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
Trees	Tree Trimming	\$ 450.00	\$ -	\$ 450.00	\$ -
Landscaping	Landscaping	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 500.00
Driveway	Driveway	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
EXTERIOR TOTAL:		\$ 36,972.31	\$ -	\$ 36,972.31	\$ 29,000.00
TOTAL:				\$ 179,806.53	\$ 155,000.00
Cost/Square Foot				\$ 67.29	2672 Square Feet

# Diary of a New Construction Project

## DAY 218: INSULATION, SIDING, TRIM

For yesterday's update, I mentioned that insulation hadn't started yet and that we'd be starting today. I was misinformed (I'm not in Atlanta right now), and it turns out that not only did insulation start yesterday, but it finished yesterday as well.

Today we had our insulation inspection, and it took the inspector about 10 seconds to peek his head in the front door and pass us. Which means we're on to sheetrock. The sheetrock is scheduled to be delivered tomorrow, and depending on whether it arrives in the morning or afternoon, we'll either start hanging tomorrow or Friday.

Also, siding and trim started today. I'm not sure how long that's expected to take, but I imagine we should be mostly complete by the end of the week.

Sheetrock is expected to take about a week (it's been rainy and humid, which drags out the drying process), and we're hoping to start trim and painting about a week and a half from now.

Here are some insulation pictures:





## Diary of a New Construction Project



## Diary of a New Construction Project

### DAY 219: SIDING, SHEETROCK DELIVERY, MORE BIDS

We completed about 50% of our siding and trim yesterday and while today isn't yet finished, I think we'll get close to completion. I'm hoping it's complete by the end of the week (tomorrow). Some pictures below.

We had our sheetrock delivered today, but unfortunately, the location of the dumpster prohibited the boom truck from being able to get the sheetrock onto the second floor. We had the dumpster company come move the dumpster, but they didn't move it far enough, and the problem remains. We'll either have to have the dumpster removed and eat the extra dumpster space, or have the sheetrock guys hand-deliver the sheetrock into the house, which will likely cost even more. This is now a tomorrow issue, and hopefully it will get resolved as we're starting sheetrock on the first floor tomorrow.

We also got some additional bids today:

- Interior Paint (Labor and Materials): \$5400
- Exterior Paint (Labor and Materials): \$2700
- Trim/Carpentry Materials: \$3000
- Trim/Carpentry Labor - \$3150

The interior paint bid seems high to us (\$2 per living space square foot), but we've been using this painter for 5 years and he swears that this is his standard price for new construction, as there's a lot of extra cost (caulking, priming, extra touch-ups after sheetrock touch-ups, etc).

Also, I had originally estimated finish carpentry/trim and interior doors to be about \$13,000. Don't know what I was thinking -- the actual price looks to be about \$6000, so we'll see a great savings there. After all the little extras that keep hitting the budget, this is nice to see.

## Diary of a New Construction Project

Here are some pics from yesterday for the siding:



## Diary of a New Construction Project





## Diary of a New Construction Project



### DAY 220: STARTING SHEETROCK

First day of sheetrock installation. Given the hot and humid weather in Atlanta these days, we expect sheetrock to take a week, so that's what we'll be doing all next week.

The following week we'll be focused on trim installation and paint, and then the week after that, we'll be doing finish mechanicals, cabinets and flooring.

Some not-too-exciting pics of sheetrock sitting in the house:



## Diary of a New Construction Project



## Diary of a New Construction Project



## Diary of a New Construction Project

### DAY 223: SHEETROCK INSTALLED

Sheetrockers finished hanging today:



## Diary of a New Construction Project



## Diary of a New Construction Project

### DAYS 224-225: MOVING QUICKLY

I'm not in town these days (in the process of moving north), but I spoke with my partner this morning who's kicking butt keeping us on schedule...

According to him, the sheetrock is drying more quickly than expected, and we're hoping to do final sanding on Friday morning. We'd then prime the walls Friday and Saturday, start trim on Monday, install cabinets on Monday, measure for granite Monday, install granite on Thursday, and build front porch/back deck at some point next week.

By the end of next week, we're hoping to be down to flooring, finish electrical, finish plumbing, tile work and final paint/punch touch-ups on the interior. On the exterior, we should be down to landscaping and some exterior trim work.

Hopefully, we're looking at about 3 more weeks to finish up, which would put us at just over 3 months of construction (with 2-3 weeks lost to bad weather).

### DAY 226: FINISH SHEETROCK

We substantially finished the sheetrock on Thursday, and plan to kick off priming/painting on Friday. No pics yet of the finished sheetrock, but here's the first and final invoice (right about where we expected:



# Diary of a New Construction Project

[illegible]

## DAY 227: BUDGET UPDATE

Here's a current budget estimate for this project. We're tracking to about \$171,000 in construction costs, or about \$64 per square foot ([click to enlarge](#)):

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Recompense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,796.00	\$ -	\$ 1,796.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 310.32	\$ -	\$ 310.32	\$ -
Drawing/Architect	Porta-Potty	\$ -	\$ 200.00	\$ 200.00	\$ -
	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00	\$ 800.00
	Brick Removal from Demo	\$ 450.00	\$ 375.00	\$ 825.00	\$ -
	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
Foundation	Grading/Silt Fence	\$ 3,500.00	\$ -	\$ 3,500.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 10,328.50	\$ -	\$ 10,328.50	\$ -
	Foundation Waterproofing	\$ 787.50	\$ -	\$ 787.50	\$ -
	Framing	\$ 28,630.00	\$ -	\$ 28,630.00	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 7,698.00	\$ -	\$ 7,698.00	\$ 8,000.00
	Batt Insulation in Walls	\$ 1,608.00	\$ -	\$ 1,608.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 546.00	\$ -	\$ 546.00	\$ 1,000.00
	Interior Paint	\$ 2,000.00	\$ 1,500.00	\$ 3,500.00	\$ 4,000.00
	Finish Carpentry & Trim	\$ 2,800.00	\$ 3,130.87	\$ 5,930.87	\$ 8,000.00
	Doors/Windows	INCLUDED	\$ 737.46	\$ 737.46	\$ 3,000.00
Electrical	Interior Doors	INCLUDED	\$ -	\$ -	\$ 5,000.00
	Windows	\$ 475.00	\$ 2,418.44	\$ 2,893.44	\$ 6,000.00
	Upgrade Service and Panel	INCLUDED	\$ -	\$ -	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 4,200.00	\$ -	\$ 4,200.00	\$ 3,500.00
	Finish Electrical	\$ 2,800.00	\$ 2,000.00	\$ 4,800.00	\$ 3,000.00
Plumbing	Main Water/Sewer Lines	\$ 550.00	\$ -	\$ 550.00	\$ -
	Rough Plumbing	\$ 4,232.00	\$ -	\$ 4,232.00	\$ 3,000.00
	Finish Plumbing	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00
	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00	\$ 3,000.00
	Kitchen Cabinets	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 3,500.00
	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
Cabinets	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00	\$ 850.00
HVAC	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
	DET Test	\$ 150.00	\$ -	\$ 150.00	\$ -
	Appliances	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
	General	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,600.00
	Cleaning	\$ 200.00	\$ -	\$ 200.00	\$ 150.00
	Overhead	\$ 100.00	\$ -	\$ 100.00	\$ -
INTERIOR TOTAL:		\$ 116,601.32	\$ 19,411.77	\$ 136,013.09	\$ 126,000.00

EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
Siding	Stone and Trim on Exterior	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 3,000.00
	Exterior Painting	\$ 1,000.00	\$ 500.00	\$ 1,500.00	\$ 3,500.00
Deck	Build Deck	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 3,000.00
	Tree Trimming	\$ 450.00	\$ -	\$ 450.00	\$ -
Landscaping	Landscaping	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 500.00
Driveway	Driveway	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
EXTERIOR TOTAL:		\$ 34,472.31	\$ 500.00	\$ 34,972.31	\$ 29,000.00
TOTAL:				\$ 170,985.40	\$ 155,000.00
Cost/Square Foot				\$ 63.99	2672 Square Feet

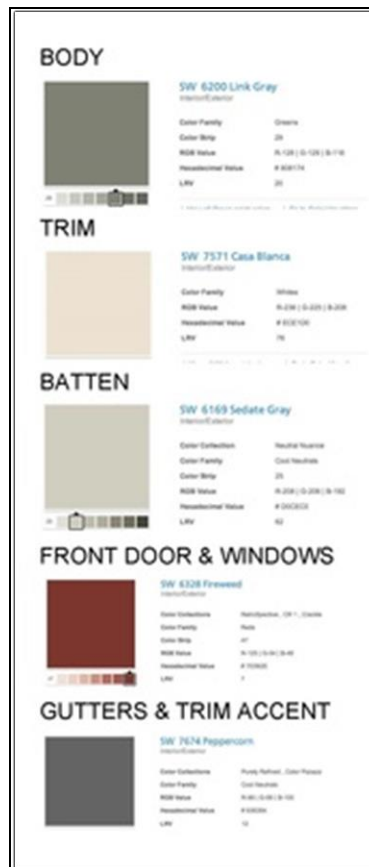
# Diary of a New Construction Project

## DAY 230: PAINTING, CABINETS, TRIM

Apparently, we had a few sheetrock issues late last week, as we were rushing to get paint started. When they sanded on Friday, there was still some wet mud in the corners; those needed to be remudded on Friday afternoon. Our sheetrock guys came back out over the weekend to resand, and our painters spent the weekend priming to be ready for cabinets and trim today.

As of this morning, we're on track for cabinet installation and trim today, with painting continuing through the week. Our granite installer will be out later today to measure for granite tops, and we hope to install granite on Thursday and perhaps start the tile work later this week.

We settled on an exterior paint scheme as well:



## Diary of a New Construction Project

### DAYS 231-232: TRIM, TRIM, TRIM

Cabinets are in and our carpenters have been busy running all the trim (crown, base, casing, etc).

Here are some pictures:



## Diary of a New Construction Project





## Diary of a New Construction Project

### DAYS 233-234: MORE TRIM, MORE PAINT, FOOTERS

Thursday and Friday of this week were spent finishing up the trim work, continuing painting (including the exterior) and pouring the footers for our porch and deck. The footers were a big challenge, as it's rained nearly every day this summer, and not only was the ground exceedingly wet, but the front porch is being placed over dirt that was recently backfilled.

Ultimately, the guys had to dig down about 4', and then lay gravel along with the concrete to shore up the footings and ensure they don't sink.

We had our footing inspections this afternoon and passed without any issue. So, not that trim is done, our carpenters will move on to building the porch and deck.

More pics next week as we start tiling and finish mechanicals on the interior and continue with deck/porch construction and landscaping on the exterior.

In the meantime, here's an update on the budget:

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Re-compense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,796.00	\$ -	\$ 1,796.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 310.32	\$ -	\$ 310.32	\$ -
	Porta-Potty	\$ -	\$ 200.00	\$ 200.00	\$ -
Drawing/Architect	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 800.00	\$ 800.00	\$ 800.00
	Brick Removal from Demo	\$ 450.00	\$ 375.00	\$ 825.00	\$ -
Foundation	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
	Grading/Silt Fence	\$ 3,500.00	\$ -	\$ 3,500.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 10,328.50	\$ -	\$ 10,328.50	\$ -
	Foundation Waterproofing	\$ 787.50	\$ -	\$ 787.50	\$ -
Framing	Framing	\$ 28,630.00	\$ -	\$ 28,630.00	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 7,698.00	\$ -	\$ 7,698.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,335.00	\$ -	\$ 2,335.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 700.00	\$ -	\$ 700.00	\$ 1,000.00
	Interior Paint	\$ 2,000.00	\$ 1,500.00	\$ 3,500.00	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 2,800.00	\$ 3,130.87	\$ 5,930.87	\$ 8,000.00
Doors/Windows	Exterior Doors	INCLUDED	\$ 737.46	\$ 737.46	\$ 3,000.00
	Interior Doors	INCLUDED	\$ -	\$ -	\$ 5,000.00
	Windows	\$ 475.00	\$ 2,418.44	\$ 2,893.44	\$ 6,000.00
Electrical	Upgrade Service and Panel	INCLUDED	\$ -	\$ -	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 4,200.00	\$ -	\$ 4,200.00	\$ 3,500.00
	Finish Electrical	\$ 2,800.00	\$ 2,000.00	\$ 4,800.00	\$ 3,000.00
Plumbing	Main Water/Sewer Lines	\$ 550.00	\$ -	\$ 550.00	\$ -
	Rough Plumbing	\$ 4,232.00	\$ -	\$ 4,232.00	\$ 3,000.00
	Finish Plumbing	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00
	Build Tile Shower	\$ 2,500.00	\$ 500.00	\$ 3,000.00	\$ 3,000.00
Cabinets	Kitchen Cabinets	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 3,500.00
	Bathroom Vanities	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Countertops	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00
	Backsplash in Kitchen	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
Flooring	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
	Carpet Upstairs	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
	Tile Upstairs	\$ 500.00	\$ 350.00	\$ 850.00	\$ 850.00
HVAC	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
	DET Test	\$ 150.00	\$ -	\$ 150.00	\$ -
Appliances	Install Appliances	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
General	Punch List	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,600.00
Cleaning	Cleaning	\$ 200.00	\$ -	\$ 200.00	\$ 150.00
Overhead	Parking, Etc...	\$ 100.00	\$ -	\$ 100.00	\$ -
	INTERIOR TOTAL:	\$ 117,482.32	\$ 19,411.77	\$ 136,894.09	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 3,000.00
Exterior Painting	Exterior Painting	\$ 1,000.00	\$ 500.00	\$ 1,500.00	\$ 3,500.00
Deck	Build Deck	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00
Trees	Tree Trimming	\$ 450.00	\$ -	\$ 450.00	\$ -
Landscaping	Landscaping	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 500.00
Driveway	Driveway	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
	EXTERIOR TOTAL:	\$ 31,972.31	\$ 2,500.00	\$ 34,472.31	\$ 29,000.00
	TOTAL:			\$ 171,366.40	\$ 155,000.00
	Cost/Square Foot			\$ 64.13	2672 Square Feet

## Diary of a New Construction Project

### DAY 237: DECKS, COUNTERTOPS, ETC...

The bulk of the painting is complete, the countertops are in, the bulk of the trim is completed, and the front and back decks are under construction. We'll be spending the next couple weeks focused on the finish work -- tile, flooring, etc.

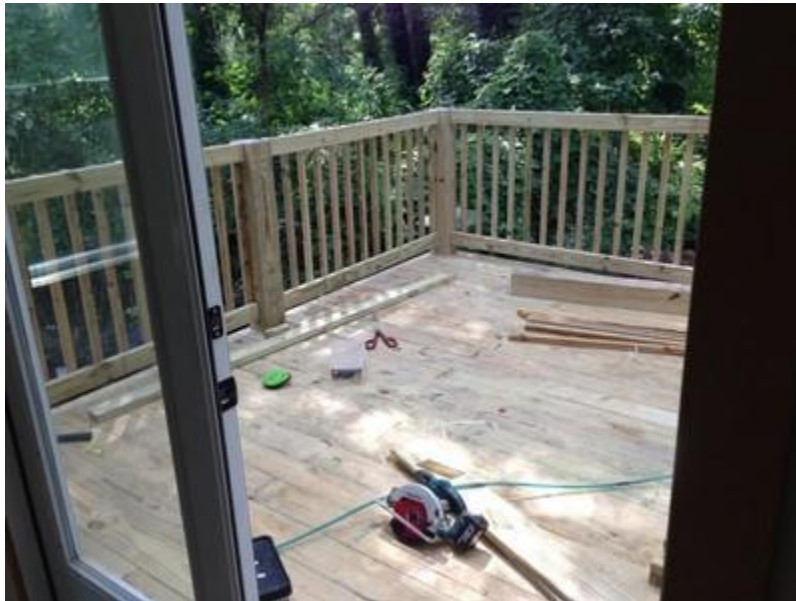
Here are some pictures of where things stand:



## Diary of a New Construction Project



## Diary of a New Construction Project





## Diary of a New Construction Project

### DAY 246: STILL ROLLING...

It's been over a week since I posted on this thread...sorry about that!

In the past week, we've kept on moving along...trim is complete, tiling is complete, finish electrical is complete, and the front deck and back porches are near completion. We'll be starting hardwood installation later this week, working on finish plumbing and then next week we should be substantially complete on the interior.

We still have some exterior decisions to make -- do we want a concrete or gravel driveway, should we remove the temporary power pole before or after final inspections (it's a couple hundred dollars more doing it beforehand), should we get the landscapers in now or at the very end, etc.

While we normally don't do this, given that we're getting late in the season, we plan to pre-list the property tonight or tomorrow, and hopefully start to get some traffic over the next week or so. Who knows, maybe we'll even get an offer.

Here are some current pictures:



## Diary of a New Construction Project



## Diary of a New Construction Project



## Diary of a New Construction Project



## Diary of a New Construction Project



### DAY 247: A/C CAGE

My partner just sent me a pic of the A/C compressor cage...maybe not the most exciting thing to happen today, but no doubt the most valuable...





## Diary of a New Construction Project

### DAY 253: CREEPING TOWARDS THE FINISH LINE

Wow, we've been a week away from finishing for two weeks now! Ugh...

Anyway, hardwoods are installed. Final plumbing is finishing this afternoon. Hardwoods will be sanded and stained/finished Thursday and Friday. Next Monday, we'll start interior punch work and we'll tear out the existing driveway and pour a new concrete driveway. And then later next week we'll complete the exterior landscaping.

We expect to start staging late next week.



## Diary of a New Construction Project

### DAY 254-263: UPDATE FROM PAST 10 DAYS

We spent the past week mostly finishing up a lot of the interior and exterior work, and getting the house ready for the final touches. Landscaping is done, the new driveway is poured, the fireplace is in, the appliances are in, the tiling (shower, backsplash, floors) are done, etc.

Over the next week or so, we'll be finishing staining the front/back porch and deck, completing the fireplace surround and hearth, putting the final coat on the hardwoods, doing paint touch-ups, and working through the punch list. We hope to clean and stage at the end of next week and have the house on the market next weekend.

Here are some final landscaping pictures:



## Diary of a New Construction Project



## Diary of a New Construction Project



### DAY 263: SCHEDULE/BUDGET UPDATE

Along with the update above, I wanted to provide an update on the schedule and the budget as well...

From a scheduling standpoint, this project seems to be taking forever. The actual rehab isn't too bad -- we started construction on June 21 and we expect to have it staged and ready to be listed next Friday (September 27). That would put us at 98 days for the actual construction, and if you take into account that we lost a solid 10 days at the beginning of the project to rain, that puts us at about 12-13 weeks of actual construction. I don't think that's too bad for our first new construction project.

Now, when you add in the 6 months it took to get permits, our schedule doesn't look nearly as good. I'll chalk part of that up to the fact that City of Atlanta is extremely difficult to work with and their timelines are extremely long, but it's also our fault that we waited so long to find someone to help us (an expeditor). That lesson alone should save us a couple months on future projects.

## Diary of a New Construction Project

As for budget, I'm thrilled where that's coming in. We originally budgeted \$155,000 for 2000 square feet of living space -- or about \$77.50 per square foot. During final design, the house ballooned in size to 2672 square feet, which -- if the per-square-foot number stayed the same -- would have put us at about \$207,000 for our construction costs.

As of today, we're tracking towards just over \$165,000 in construction costs, or about \$61-62 per square foot. These are the numbers we've been hearing from the larger and more experienced builders in our area (\$58-63/sf), so we're definitely doing something right on the budget front. In fact, if we were to do this exact build over again, I think we could save a few thousand more dollars as well.

Who knows, there may still be some expenses I'm not factoring, but we're pretty close to the end, and most of our invoices have been received/paid. The best part is that the company that did the bulk of our dry-in (framing, roofing, siding, doors/windows, etc) doesn't invoice until work is complete, and then the invoice is Net-30. We just received their invoices and still have a month to pay them -- so about \$50,000 of our \$165,000 budget isn't due until about a month after the house is completed. Who knows, it could be sold by the time we have to pay for it... :-)

Here is where the budget currently stands in more detail and compared to our original estimates:



# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

		INTERIOR			
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Recompense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,796.00	\$ -	\$ 1,796.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 210.60	\$ -	\$ 210.60	\$ -
	Porta-Potty	\$ -	\$ 255.00	\$ 255.00	\$ -
Drawing/Architect	Architect / Drawings	\$ 2,500.00		\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 190.00	\$ -	\$ 190.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
Demo	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 1,175.00	\$ 1,175.00	\$ 800.00
	Brick Removal from Demo	\$ 450.00	\$ 375.00	\$ 825.00	\$ -
	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
	Grading/Silt Fence	\$ 3,500.00	\$ -	\$ 3,500.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 10,328.50	\$ -	\$ 10,328.50	\$ -
	Foundation Waterproofing	\$ 787.50	\$ -	\$ 787.50	\$ -
	Termite Treatments	\$ 325.00	\$ -	\$ 325.00	\$ -
	Crawlspace Vents	\$ 250.00	\$ 74.87	\$ 324.87	\$ -
Framing	Framing	\$ 30,015.08	\$ -	\$ 30,015.08	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 7,698.00	\$ -	\$ 7,698.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,335.00	\$ -	\$ 2,335.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 700.00	\$ -	\$ 700.00	\$ 1,000.00
Painting	Interior Paint	\$ 3,300.00	\$ 2,034.19	\$ 5,334.19	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 2,500.00	\$ 1,910.38	\$ 4,410.38	\$ 8,000.00
Doors/Windows	Exterior Doors	\$ 737.46	\$ 202.12	\$ 939.58	\$ 3,000.00
	Interior Doors	INCLUDED	\$ 1,447.17	\$ 1,447.17	\$ 5,000.00
	Windows	\$ 475.00	\$ 2,224.84	\$ 2,699.84	\$ 6,000.00
Electrical	Upgrade Service and Panel	INCLUDED	\$ -	\$ -	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 4,200.00	\$ -	\$ 4,200.00	\$ 3,500.00
	Finish Electrical	\$ 2,850.00	\$ 1,119.82	\$ 3,769.82	\$ 3,000.00
Plumbing	Main Water/Sewer Lines	\$ 550.00	\$ -	\$ 550.00	\$ -
	Rough Plumbing	\$ 4,232.00	\$ -	\$ 4,232.00	\$ 3,000.00
	Finish Plumbing	\$ 2,908.00	INCLUDED	\$ 2,908.00	\$ 3,000.00
	Build Tile Shower	INCLUDED	\$ -	\$ -	\$ 3,000.00
Cabinets	Kitchen Cabinets	\$ 3,230.13	\$ -	\$ 3,230.13	\$ 3,500.00
	Bathroom Vanities	\$ 336.25	\$ -	\$ 336.25	\$ 1,000.00
	Countertops	\$ 2,769.16	\$ -	\$ 2,769.16	\$ 2,000.00
	Backsplash in Kitchen	INCLUDED	\$ -	\$ -	\$ 800.00
Flooring	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 6,500.00
	Carpet Upstairs	\$ 2,470.00	\$ -	\$ 2,470.00	\$ 1,000.00
	Tile Floor/Backsplash/Shower	\$ 1,231.48	\$ 883.59	\$ 2,115.07	\$ 850.00
HVAC	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
	DET Test	\$ 150.00	\$ -	\$ 150.00	\$ -
	AC Cage	\$ 319.92	\$ -	\$ 319.92	\$ -
Appliances	Install Appliances	\$ -	\$ 2,390.53	\$ 2,390.53	\$ 4,000.00
General	Punch List	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,600.00
Cleaning	Cleaning	\$ 200.00	\$ 17.26	\$ 217.26	\$ 150.00
Overhead	Parking, Etc...	\$ 28.00	\$ -	\$ 28.00	\$ -
	INTERIOR TOTAL:	\$ 122,413.08	\$ 14,609.77	\$ 137,022.85	\$ 126,000.00

		EXTERIOR			
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 1,500.00	\$ 24.25	\$ 1,524.25	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ -	\$ -	\$ -	\$ 3,000.00
Exterior Painting	Exterior Painting	INCLUDED	\$ -	\$ -	\$ 3,500.00
Deck	Build Deck	\$ 1,750.00	\$ 3,002.26	\$ 4,752.26	\$ 3,000.00
Trees	Tree Trimming	\$ 700.00	\$ -	\$ 700.00	\$ -
Landscaping	Landscaping	\$ 3,500.00	\$ 220.50	\$ 3,720.50	\$ 500.00
Driveway	Driveway	\$ 2,400.00	\$ 38.79	\$ 2,438.79	\$ -
	EXTERIOR TOTAL:	\$ 23,372.31	\$ 3,285.80	\$ 26,658.11	\$ 29,000.00
			TOTAL:	\$ 163,680.96	\$ 155,000.00
			Cost/Square Foot	\$ 61.26	2672 Square Feet

## Diary of a New Construction Project

### DAY 268: ONLY 24 HOURS LEFT (HOPEFULLY)

We were hoping to be finished with the rehab by today, but -- of course -- there are always the little hiccups at the end of the project. Just got a call from my partner, who relayed two issues we just found:

- The hardwood guys came back yesterday to do the final coat of poly on the wood, but used the wrong sheen (matte instead of high-gloss). He and I are both big fans of the shiny hardwood, so the contractors will be coming back today to put another coat on.
- Once we got the power back on after the temp pole was removed, he turned on the lights and noticed a decent amount of sheetrock and paint issues that weren't discovered earlier.

We're hoping the hardwoods are dry by tomorrow and we can get the painters back in at the same time they are unloading the staging furniture. Assuming no issues with wet hardwoods, we're shooting to have the house staged and listed by Saturday.

Major credit to my partner that these are the biggest issues we've faced coming down to the end of the project...

### DAY 269: FINISHING UP

As usual, my partner is working his butt off while I'm 1000 miles away sitting in front of a computer not being at all helpful with our project (he certainly deserves better than me :)...

But, according to my discussion with him earlier today, the hardwoods are finished (correctly, this time) and we're still hopefully the painters will make it back by the end of today and finish their touch-ups.

## Diary of a New Construction Project

Staging furniture is getting moved in today, and we'll be taking some half-staged photos and listing the property on the MLS this evening in the hopes we can get a few showings over the weekend.

I'll post the final pictures once we have them, but here are a couple teasers of some of the tiling work we completed the past couple days:



## Diary of a New Construction Project

### DAY 270: REHAB COMPLETE!

Painters stood us up yesterday, but were out there today to finish the repairs and touch-ups. The MLS listing went live yesterday, but without any pictures.

We expect to have final pictures in the next 24-48 hours...

### DAY 271: UNSTAGED PICTURES

Here are some basic pictures of the house prior to staging:



## Diary of a New Construction Project





## Diary of a New Construction Project



## Diary of a New Construction Project



## Diary of a New Construction Project



## Diary of a New Construction Project



## Diary of a New Construction Project



### MLS LISTING

We finished cleaning, staging and listing our new construction project earlier this week. List price: \$299,900. That's on the high end of what we'd expect to get, so we'll likely drop that price pretty quickly if we don't get much interest.

Here is a PDF of the MLS listing with all the final pictures:

[New Construction Project - MLS Listing](#)



## Diary of a New Construction Project

### DAY 276: BUDGET UPDATE

We're almost done paying all of our invoices, and the remaining few (roof, glass shower door, mirrors, final survey) are pretty easy to estimate. Unless we incur additional expenses throughout the selling process, I'm pretty sure we have a good idea of where the final budget will be.

We're tracking to right about \$60/square foot, which is better than I could have ever imagined. It's especially impressive to me, given that we used all mid-range and higher materials -- upgraded cabinets, granite, tile work throughout, high-end trim work, hardwoods, nicer fixtures, etc. It helped that we didn't have to build a garage, which wouldn't have contributed to living square footage, but would have contributed to costs.

Here is a current breakdown of costs ([click to enlarge](#)):

# Diary of a New Construction Project

## COLOR CODING OF LABOR/MATERIAL COSTS

	Estimated Cost - No Contractor Bids For Task As Of Yet
	Formal Contractor Bid for Task In Hand
	Final/Paid Cost for Task

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Recompense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,795.00	\$ -	\$ 1,795.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 210.60	\$ -	\$ 210.60	\$ -
	Porta-Potty	\$ -	\$ 340.00	\$ 340.00	\$ -
Drawing/Architect	Architect / Drawings	\$ 2,500.00		\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 190.00	\$ -	\$ 190.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ 450.00	\$ -	\$ 450.00	\$ -
Demo	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 1,175.00	\$ 1,175.00	\$ 800.00
	Brick Removal from Demo	\$ 450.00	\$ -	\$ 450.00	\$ -
Foundation	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
	Grading/Silt Fence	\$ 3,500.00	\$ -	\$ 3,500.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 10,328.50	\$ -	\$ 10,328.50	\$ -
	Foundation Waterproofing	\$ 787.50	\$ -	\$ 787.50	\$ -
	Termite Treatments	\$ 325.00	\$ -	\$ 325.00	\$ -
	Crawlspace Vents	\$ 250.00	\$ 74.87	\$ 324.87	\$ -
Framing	Framing	\$ 29,315.08	\$ -	\$ 29,315.08	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 7,698.00	\$ -	\$ 7,698.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,335.00	\$ -	\$ 2,335.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 700.00	\$ -	\$ 700.00	\$ 1,000.00
Painting	Interior Paint	\$ 3,300.00	\$ 2,147.19	\$ 5,447.19	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 2,500.00	\$ 1,924.05	\$ 4,424.05	\$ 8,000.00
	Fireplace	\$ -	\$ 575.00	\$ 575.00	\$ -
Doors/Windows	Exterior Doors	\$ 611.73	\$ 202.12	\$ 813.85	\$ 3,000.00
	Interior Doors	INCLUDED	\$ 1,627.04	\$ 1,627.04	\$ 5,000.00
	Windows	\$ 475.00	\$ 2,334.12	\$ 2,809.12	\$ 6,000.00
Electrical	Upgrade Service and Panel	INCLUDED	\$ -	\$ -	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 4,200.00	\$ -	\$ 4,200.00	\$ 3,500.00
	Finish Electrical	\$ 2,650.00	\$ 1,119.82	\$ 3,769.82	\$ 3,000.00
Plumbing	Main Water/Sewer Lines	\$ 550.00	\$ -	\$ 550.00	\$ -
	Rough Plumbing	\$ 4,232.00	\$ -	\$ 4,232.00	\$ 3,000.00
	Finish Plumbing	\$ 2,908.00	INCLUDED	\$ 2,908.00	\$ 3,000.00
	Build Tile Shower	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 3,000.00
Cabinets	Kitchen Cabinets	\$ 3,230.13	\$ -	\$ 3,230.13	\$ 3,500.00
	Bathroom Vanities	\$ 486.25	\$ -	\$ 486.25	\$ 1,000.00
	Countertops	\$ 2,769.16	\$ -	\$ 2,769.16	\$ 2,000.00
	Backsplash in Kitchen	INCLUDED	\$ -	\$ -	\$ 800.00
Flooring	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 3,200.00	\$ -	\$ 3,200.00	\$ 6,500.00
	Carpet Upstairs	\$ 2,470.00	\$ -	\$ 2,470.00	\$ 1,000.00
	Tile Floor/Backsplash/Shower	\$ 1,231.48	\$ 909.48	\$ 2,140.96	\$ 850.00
HVAC	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
	DET Test	\$ 150.00	\$ -	\$ 150.00	\$ -
	AC Cage	\$ 319.92	\$ -	\$ 319.92	\$ -
Appliances	Install Appliances	\$ -	\$ 2,390.53	\$ 2,390.53	\$ 4,000.00
General	Punch List	\$ 941.68	\$ 78.29	\$ 1,019.97	\$ 1,600.00
Cleaning	Cleaning	\$ 250.00	\$ 17.26	\$ 267.26	\$ 150.00
Overhead	Parking, Etc..	\$ 28.00	\$ -	\$ 28.00	\$ -
INTERIOR TOTAL:		\$ 120,429.03	\$ 14,914.77	\$ 135,343.80	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 856.00	\$ 24.25	\$ 880.25	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ -	\$ -	\$ -	\$ 3,000.00
Exterior Painting	Exterior Painting	INCLUDED	\$ -	\$ -	\$ 3,500.00
Deck	Build Deck	\$ 1,750.00	\$ 3,002.26	\$ 4,752.26	\$ 3,000.00
Trees	Tree Trimming	\$ 700.00	\$ -	\$ 700.00	\$ -
Landscaping	Landscaping	\$ 2,414.66	\$ 220.50	\$ 2,635.16	\$ 500.00
Driveway	Driveway	\$ 2,400.00	\$ 220.61	\$ 2,620.61	\$ -
EXTERIOR TOTAL:		\$ 21,642.97	\$ 3,467.62	\$ 25,110.59	\$ 29,000.00
TOTAL:				\$ 160,454.39	\$ 155,000.00
Cost/Square Foot				\$ 60.05	2672 Square Feet

# Diary of a New Construction Project

## DAY 277: ANALYSIS UPDATE

The house has been on the market for nearly a week, and we haven't gotten a ton of interest so far. I don't know if it's just a slow week for buyers, if the listing isn't compelling enough or if the property is just plain overpriced, but if we don't get much traction in the next week or so, we'll likely lower the price a bit. We also haven't been able to get in touch with the agents who've shown the property to get feedback, so we don't have much to go on as of yet.

The property is listed at \$299,900. I don't know what it will sell for (again, a lot of this is new territory for us -- both metaphorically and literally), but we're hoping that we'll ultimately get a contract for at least \$270,000. Assuming that's the case, here is how we'd expect our final numbers to shake out:

<b>PURCHASE COSTS:</b>	
Earnest Money	(\$3,000.00)
Due at Closing	(\$27,831.58)
<b>Total:</b>	<b>-\$30,831.58</b>
<b>REHAB COSTS:</b>	
Labor & Materials	\$ (160,500.00)
<b>Total:</b>	<b>-\$160,500.00</b>
<b>HOLDING COSTS:</b>	
Property Taxes	(\$2,000.00)
Insurance	(\$1,000.00)
Utilities	(\$1,000.00)
<b>Total:</b>	<b>-\$4,000.00</b>
<b>SELLING COSTS</b>	
Selling Price	\$270,000.00
Buyer Requested Repairs/Changes	(\$2,000.00)
Commission To Agents	(\$8,100.00)
Buyer Home Warranty	(\$400.00)
Buyer Closing Cost / Concessions	(\$8,100.00)
Seller Closing Costs	\$0.00
Proration of Taxes, Insurance, Escrow	\$0.00
Buyer Appraisal / Inspection	\$0.00
Termite Letter	\$0.00
<b>Total:</b>	<b>\$251,400.00</b>
<b>PROFIT:</b>	<b>\$56,068.42</b>

## Diary of a New Construction Project

If these were the actual numbers (no idea if they will be), our total investment (Purchase + Rehab + Holding Costs) would be about \$195,000, and our \$56,000 profit would represent a 28%+ ROI, which would be fantastic as far as I'm concerned.

### DAY 286: UPDATE

We've had very little traffic through the property since we listed it, so it's time for a price drop. We're currently at \$297,000 and will likely go down to somewhere in the \$250-275K range. We'll be looking at comps again today to see where to go, and will be contacting local agents who sell in the area.

I'll post more when we decide how to proceed...

### DAY 288: INSPECTIONS

We dropped the price the other day to \$274,700, offered a \$1000 bonus to the buyers agents, and we already have a couple showings lined up for the weekend...fingers crossed...

We also started getting some of our final city inspections. We've already passed electrical, plumbing and HVAC. Today, we got sign off from the arborist.

But, we failed our final C.O. inspection. Two minor issues -- the handrail on the back deck stairs isn't to code (too narrow, I believe my partner said) and we need a hurricane strap under the deck. Inspector said that once we get those two things taken care of, the final sign-off should be quick and easy.

We also need to get final sign-off on our site plan, presumably by the storm water management department. We had to install a "rain garden" in the back yard to capture the first 1% of rain water run-off from the structure; this is a new requirement in Atlanta, and as far as I know, we're one of the first residential projects that's been subject to this requirement.

## Diary of a New Construction Project

### DAY 289: FINAL BUILDING INSPECTION PASSED!

We passed our final building inspection today!

That's all I've got... :-)

### DAY 299: C.O. IN HAND

Since the price drop last week, we've had several showings on the house. The consistent feedback is that the neighborhood is a turn off and the interior of the house is awesome. The inconsistent feedback is on the exterior of the house -- while some buyers think it's perfectly fine (nothing exceptional), we had one serious buyer who thought the exterior was very unappealing.

Anyway, we're still collecting feedback from the weekend showings, and as of now, we still have no offers.

We do have our Certificate of Occupancy in hand:



## Diary of a New Construction Project

## Diary of a New Construction Project

### DAY 319: PRICE DROP / FINAL BUDGET

We're finally starting to get some more traffic through this house (we've seen more buyer traffic on all our houses), and thought it would be a good idea to refresh the MLS listing and try to get some renewed (and new) interest. So, we dropped the list price from \$274,700 to \$269,900 -- and are offering a \$1000 bonus to any agent who can close with a full price offer.

We dropped the price on Thursday evening, and started getting a bunch of calls yesterday. We had 5 showings today and couple more scheduled for tomorrow. By the end of the weekend, we'll hopefully have some good feedback and will know if the house is price correctly or still too high.

We've received nearly all of the invoices from our contractors, and have a good idea of what the rest will look like.

Based on that, here is our near-final budget on this project:

# Diary of a New Construction Project

INTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Recompense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,796.00	\$ -	\$ 1,796.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Permit Printing/Copies	\$ 210.60	\$ -	\$ 210.60	\$ -
	Porta-Potty	\$ -	\$ 340.00	\$ 340.00	\$ -
	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
Drawing/Architect	Engineering Consultation	\$ 190.00	\$ -	\$ 190.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ -	\$ -	\$ -	\$ -
	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
Demo	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
	Dumpster for Construction	\$ -	\$ 1,175.00	\$ 1,175.00	\$ 800.00
	Brick Removal from Demo	\$ 450.00	\$ -	\$ 450.00	\$ -
	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
Foundation	Grading/Silt Fence	\$ 3,500.00	\$ -	\$ 3,500.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
	Entire New Foundation	\$ 10,328.50	\$ -	\$ 10,328.50	\$ -
	Foundation Waterproofing	\$ 787.50	\$ -	\$ 787.50	\$ -
	Termite Treatments	\$ 325.00	\$ -	\$ 325.00	\$ -
	Crawlspace Vents	\$ 250.00	\$ 74.87	\$ 324.87	\$ -
	Framing	\$ 29,315.08	\$ -	\$ 29,315.08	\$ 15,000.00
	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
Sheetrock	Sheetrock	\$ 7,698.00	\$ -	\$ 7,698.00	\$ 8,000.00
Insulation	Batt Insulation in Walls	\$ 2,335.00	\$ -	\$ 2,335.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 700.00	\$ -	\$ 700.00	\$ 1,000.00
Painting	Interior Paint	\$ 3,300.00	\$ 2,147.19	\$ 5,447.19	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 2,500.00	\$ 1,924.05	\$ 4,424.05	\$ 8,000.00
	Fireplace	\$ -	\$ 575.00	\$ 575.00	\$ -
	Exterior Doors	\$ 611.73	\$ 202.12	\$ 813.85	\$ 3,000.00
Doors/Windows	Interior Doors	INCLUDED	\$ 1,627.04	\$ 1,627.04	\$ 5,000.00
	Windows	\$ 475.00	\$ 2,334.12	\$ 2,809.12	\$ 6,000.00
	Upgrade Service and Panel	INCLUDED	\$ -	\$ -	\$ 1,500.00
Electrical	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 4,200.00	\$ -	\$ 4,200.00	\$ 3,500.00
	Finish Electrical	\$ 2,650.00	\$ 1,119.82	\$ 3,769.82	\$ 3,000.00
Plumbing	Main Water/Sewer Lines	\$ 550.00	\$ -	\$ 550.00	\$ -
	Rough Plumbing	\$ 4,232.00	\$ -	\$ 4,232.00	\$ 3,000.00
	Finish Plumbing	\$ 2,908.00	INCLUDED	\$ 2,908.00	\$ 3,000.00
Cabinets	Build Tile Shower	\$ 1,350.00	\$ -	\$ 1,350.00	\$ 3,000.00
	Kitchen Cabinets	\$ 3,230.13	\$ -	\$ 3,230.13	\$ 3,500.00
	Bathroom Vanities	\$ 486.25	\$ -	\$ 486.25	\$ 1,000.00
	Countertops	\$ 2,769.16	\$ -	\$ 2,769.16	\$ 2,000.00
	Backsplash in Kitchen	INCLUDED	\$ -	\$ -	\$ 800.00
Flooring	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 3,200.00	\$ -	\$ 3,200.00	\$ 6,500.00
	Carpet Upstairs	\$ 2,470.00	\$ -	\$ 2,470.00	\$ 1,000.00
HVAC	Tile Floor/Backsplash/Shower	\$ 1,231.48	\$ 909.48	\$ 2,140.96	\$ 850.00
	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
	DET Test	\$ 300.00	\$ -	\$ 300.00	\$ -
Appliances	AC Cage	\$ 319.92	\$ -	\$ 319.92	\$ -
	Install Appliances	\$ -	\$ 2,390.53	\$ 2,390.53	\$ 4,000.00
General	Punch List	\$ 1,525.68	\$ 78.29	\$ 1,603.97	\$ 1,600.00
Cleaning	Cleaning	\$ 250.00	\$ 17.26	\$ 267.26	\$ 150.00
Overhead	Parking, Etc...	\$ 28.00	\$ -	\$ 28.00	\$ -
INTERIOR TOTAL:		\$ 120,563.03	\$ 14,914.77	\$ 135,477.80	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	Current Total	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,157.31	\$ -	\$ 4,157.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 856.00	\$ 24.25	\$ 880.25	\$ 1,500.00
Siding	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
	Stone and Trim on Exterior	\$ -	\$ -	\$ -	\$ 3,000.00
Exterior Painting	Exterior Painting	INCLUDED	\$ -	\$ -	\$ 3,500.00
Deck	Build Deck	\$ 1,750.00	\$ 3,002.26	\$ 4,752.26	\$ 3,000.00
Trees	Tree Trimming	\$ 700.00	\$ -	\$ 700.00	\$ -
Landscaping	Landscaping	\$ 2,414.66	\$ 220.50	\$ 2,635.16	\$ 500.00
Driveway	Driveway	\$ 2,400.00	\$ 220.61	\$ 2,620.61	\$ -
EXTERIOR TOTAL:		\$ 21,642.97	\$ 3,467.62	\$ 25,110.59	\$ 29,000.00
TOTAL:				\$ 160,588.39	\$ 155,000.00
Cost/Square Foot				\$ 60.10	2672 Square Feet

## Diary of a New Construction Project

Given that we went nearly 700 square feet over estimate and only \$5500 over budget, I'm very happy with this. Not to mention that \$60/sf build cost -- in Atlanta, that puts us right in the range of what the big guys are building for.

Now we just need to get it sold... :-)

### DAY 338: FIRST OFFER / CONTRACT

We've had a lot of traffic the past week on this property, so we were fairly confident we were close to an offer (as I mentioned, there's been no negative comments about the price). Well, we received our first offer this morning, and it was decent. We countered at full-price and our choice of closing attorney, and agreed to the rest of the terms.

The buyers accepted our offer this afternoon. Inspections are set for this weekend, and buyers are scheduled to close at the end of the month (they really want to close the deal before the new year so they can get their homestead exemption). It's a conventional loan, so I think it may be tight, but the agent says that the mortgage broker isn't concerned a bit. I guess we'll see.

I'll post more details as things move forward...

### DAY 345: INSPECTIONS COMPLETED

The buyers completed their inspections last weekend, and the inspection report was short and clean. There were a bunch of little items -- paint touch-ups, windows painted shut, some caulking needed, some debris in the back yard, a light not working, etc -- and only one major item.

## Diary of a New Construction Project

The major item is actually a bit perplexing. There is a LOT of water in the crawl space and we can't figure out where it's coming from. We've had a couple water-proofing companies take a look, and they assure us it's not coming through the foundation walls (grading is correct) and is not likely coming under the footers (drainage is good). As crazy as it seems, it appears the most likely explanation is that the water has been there since the foundation was poured back in June.

Right after the foundation was poured, there was a ridiculous amount of rain for about two weeks (I think there are some pictures of this earlier in the thread), and we just assumed the water would either drain out or be absorbed into the ground. Well, the soil under the house is mostly clay, so it's quite possible that the water couldn't be absorbed and just sat there for the past 6 months. Crazy that nobody noticed (or noticed and didn't say anything), but right now, that seems like the best explanation.

Anyway, my partner has spent the past couple days pumping out the bulk of the water, using a shop-vac on what's left and then putting a couple dehumidifiers in there. Once the crawl is dry, we'll have to wait until the next rain to determine if there's a water intrusion problem or if it really was just wet from several months ago.

We're completing the rest of the inspection repairs over the next week, and hopefully the appraisal will be scheduled some time in the next week or so, as the buyer still really wants to be into the house before the end of the year.

### DAY 350: WATERPROOFING / APPRAISAL

As I mentioned in my last post, we believe all the water sitting in the crawl space has been there since the foundation went up 6 months ago. And all investigation over the past few days continues to lead to that belief. We had our waterproofing company come out, they dug a trench down the center of the crawl space, and ran a french drain through and under the footer at the back of the house. This should alleviate any water that might get into the crawl in the future.



## Diary of a New Construction Project

While they were there, they also excavated both sides of the house, re-sprayed the foundation with waterproof material, and checked the foundation drain leading underground from the downspouts to the rain garden. For all this work, they charged \$200 -- it's always nice when a contractor is willing to work hard to get/keep your business. This one certainly will.

We also had the appraiser come out to the property to do the appraisal. On the phone (prior to visiting the property), he basically asked my wife, "Why are you giving this house away?" Apparently, he had done another appraisal around the block recently, and that one was sold for a good bit higher. I'm guessing that the time of year was better for a resale, and also that that street was a little bit nicer.

Regardless, he basically did a drive-by appraisal -- he was at the house just long enough to introduce himself to my partner and take a few pictures. Based on all that, I'm confident we shouldn't have any issues with the appraisal.

At this point we're just waiting for the loan to get through underwriting, and we're hoping to close before the end of the month.

### DAY 364: SLIGHT CLOSING DELAY

It was looking as if everything with this closing was going to be too easy, and we were going to hit exactly 365 days for this project by closing tomorrow. Alas, it wasn't meant to be... :)

Turns out there was a slight snafu with the appraisal -- it came in too high! Yup, that's right...the appraisal came in more than \$20,000 over the contract price, and this spooked the underwriter and the investor who is buying the loan from the bank (the house is big for the neighborhood, so the square footage adjustment is what brought the value in high). Turns out the investor doesn't want the loan any longer, and the underwriter had to find a new investor. This wasn't difficult, but the new

## Diary of a New Construction Project

investor wants another appraisal to substantiate the value, and given that this all happened just a couple days before closing, we're not going to hit our deadline.

The appraiser was at the property this morning and -- assuming no new appraisal issues -- we expect the loan to be cleared tomorrow. Wednesday is a holiday, so closing will likely be either Thursday or Friday.

### DAY 365: APPRAISAL / NEW CLOSING

The second appraisal came back yesterday. The appraiser pegged the value at \$100 over the contract price, which is good news...I believe this is the final condition of the loan, and we've rescheduled closing for this Friday at noon.

Hopefully no more drama before closing!

### DAY 368: CLOSING!

We closed on the sale of this one today, a year and three days after starting work on the project. The numbers turned out pretty good -- I'll post the final HUD, the final analysis and the final budget numbers in a follow-up post...

# Diary of a New Construction Project

## FINAL ANALYSIS

My partner and I tallied the final expenses and I finished the final reconciliation of the data this weekend. I imagine there are a couple more utility bills coming and maybe a few miscellaneous dollars here or there, but the final accounting below should be within a hundred bucks or so of the ultimate numbers.

First, here are the main pages from the settlement statement of the sale, which some personal stuff erased:

A. Settlement Statement (HUD-1)		OMB Approval No. 2502-0065	
<b>B. Type of Loan</b>			
1 <input type="checkbox"/> FHA	2 <input type="checkbox"/> RHS	3 <input type="checkbox"/> Conv. Unins.	6. File Number
4 <input type="checkbox"/> VA	5 <input checked="" type="checkbox"/> Conv. Ins.		7. Loan Number
			8. Mortgage Insurance Case Number
<b>C. Note:</b> This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "p.o.c." were paid outside the closing, they are shown here for information purposes and are not included in the totals.			
D. Name and Address of Borrower		E. Name and Address of Seller Renovators of Georgia, LLC Canton, GA 30114	
F. Name and Address of Lender			
G. Property Location Atlanta, GA 30316 DeKalb County Map & Parcel The Fred Hoch Property		H. Settlement Agent (878-445-7423) Andrew W. Hartman, LLC dba Hartman-Imbrails, LLP 145 Towne Lake Pkwy, Suite 200, Woodstock GA 30189	
		I. Settlement Date 01/03/14 DD: 01/03/14	
<b>J. SUMMARY OF BORROWER'S TRANSACTION:</b>			
<b>100. GROSS AMOUNT DUE FROM BORROWER</b>			
101. Contract sales price	269,800.00	401. Contract sales price	269,800.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	6,824.41	403.	
104.		404.	
105.		405.	
<b>Adjustments for items paid by seller in advance</b>			
106. Obligation taxes	to	406. Obligation taxes	to
107. County taxes	to	407. County taxes	to
108. Assessments	to	408. Assessments	to
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. GROSS AMOUNT DUE FROM BORROWER	276,624.41	420. GROSS AMOUNT DUE TO SELLER	269,800.00
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER</b>			
201. Deposit or earnest money	2,000.00	501. Excess Deposit (see instructions)	
202. Principal amount of new loan(s)	251,800.00	502. Settlement charges to seller (line 1400)	8,729.88
203. Existing loan(s) taken subject to		503. Existing loans taken subject to	
204.		504. Payoff of first mortgage loan	
205. Deposit With Lender	865.00	505. Payoff of second mortgage loan	
206.		506. Commission: Deposit held by broker	2,000.00
207.		507.	
208. Seller Paid Closing Costs	5,000.00	508. Seller Paid Closing Costs	5,000.00
209.		509.	
<b>Adjustments for items unpaid by seller</b>			
210. Obligation taxes	01/01 to 01/03 12.04	510. Obligation taxes	01/01 to 01/03 12.04
211. County taxes	01/01 to 01/03 2.60	511. County taxes	01/01 to 01/03 2.90
212. Assessments	to	512. Assessments	to
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. TOTAL PAID BY / FOR BORROWER	269,800.44	520. TOTAL REDUCTION AMOUNT DUE SELLER	13,735.82
<b>300. CASH AT SETTLEMENT FROM OR TO BORROWER</b>			
301. Gross amount due from borrower (line 120)	276,624.41	601. Gross amount due to seller (line 420)	269,800.00
302. Less amounts paid by/borrower (line 220)	269,800.44	602. Less reduction amount due to seller (line 520)	13,735.82
303. CASH FROM BORROWER	17,823.97	603. CASH TO SELLER	255,164.18

Page 1 of 3 HUD-1

# Diary of a New Construction Project

L SETTLEMENT CHARGES:				File Number:			
700. Total Real Estate Broker Fees				8,720.88			
Division of commission (line 700) as follows:							
701. \$	8,097.00	to	Keller Williams Realty Metro All (KWAD01)	(Less 2,000.00 Deposit=6,097.00)			
702. \$	623.88	to	Solid Source Realty GA (SSGA01)*				
703. Commission paid at Settlement			Keller Williams Realty Metro All (KWAD01)	2,000.00			6,720.88
704. Realtor Holds Deposit			Keller Williams Realty Metro All (KWAD01)				
705. *Listing agent to provide 2-10 Home Warranty	\$474.00						
800. Items Payable in Connection with Loan					P.O.C.		
801. Our origination charge (includes Orig Point(s) 0.125% or \$314.88)	\$	1,000.88	(from GFE#1)				
802. Your credit or charge (point) for the specific interest rate chosen	\$		(from GFE#2)				
803. Your adjusted origination charges			(from GFE A)			1,000.88	
804. Appraisal Fee			(from GFE#3)			380.00	
805. Credit Report			(from GFE#3)			39.50	
806. Tax service			(from GFE#3)			89.00	
807. Flood certification			(from GFE#3)			11.00	
808.							
809.							
810.							
811.							
812.							
813.							
814.							
900. Items Required by Lender to Be Paid in Advance							
901. Daily interest charges from 01/03/14 to 02/01/14 @ \$ 31.4875 /day (from GFE#10)				29 day(s)		913.14	
902. Mortgage Insurance Premium for to (from GFE#3)							
903. Homeowner's insurance for 1 yr. to State Farm \$ 936.00 (from GFE#11)						936.00	
904.							
905.							
1000. Reserves Deposited with Lender							
1001. Initial deposit for your escrow account (from GFE#9)						458.99	
1002. Hazard Insurance 3 mo. @ \$ 78.00 per mo. \$ 234.00							
1003. Mortgage Insurance 0 mo. @ \$ 113.36 per mo. \$							
1004. City property taxes 2 mo. @ \$ 122.10 per mo. \$ 244.20							
1005. County property taxes 2 mo. @ \$ 29.40 per mo. \$ 58.80							
1006. Annual Assessments mo. @ \$ per mo. \$							
1007. mo. @ \$ per mo. \$							
1008. mo. @ \$ per mo. \$							
1009. Aggregate Adjustment -\$ 78.01							
1100. Title Charges							
1101. Title services and lender's title insurance (from GFE#4)						1,422.00	
1102. Settlement or closing fee Andrew W Hartman LLC \$ 475.00 (from GFE#4)							
1103. Owner's title insurance Chicago Title Insurance Company (from GFE#5)						579.00	
1104. Lender's title insurance Chicago Title Insurance Company \$ 617.00							
1105. Lender's coverage 251,900.00 --- 617.00							
1106. Owner's coverage 269,900.00 --- 579.00							
1107. Agent's portion of the total title insurance premium Andrew W Hartman LLC \$ 867.00							
1108. Underwriter's portion of the total title insurance premium Chicago Title Insurance Company \$ 299.00							
1109. Title Examination Southeast Title & Processing, Inc. \$ 145.00 (from GFE#4)							
1110. Title Binder Andrew W Hartman LLC \$ 50.00 (from GFE#4)							
1111. Package Delivery Fees Andrew W Hartman LLC \$ 100.00 (from GFE#4)							
1112. CPL Fee Chicago Title Insurance Company \$ 35.00 (from GFE#4)							
1113.							
1200. Government Recording and Transfer Charges							
1201. Government recording charges (from GFE#7)						80.00	
1202. Deed \$ 10.00 Mortgage \$ 60.00 Releases \$							
1203. Transfer taxes (from GFE#8)						1,025.90	
1204. City/county tax/stamps Deed \$ Mortgage \$							
1205. State tax/stamps Deed \$ 269.90 Mortgage \$ 756.00							
1206. GDBF State of Georgia \$ 10.00 (from GFE#7)							
1207.							
1208.							
1300. Additional Settlement Charges							
1301. Required services that you can shop for (from GFE#6)							
1302.							
1303.							
1304.							
1305.							
1306.							
1307.							
1308.							
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)						6,924.41	6,720.88

P.O.C. and Seller understand that the fees collected by Andrew W Hartman, LLC (aka Hartman-Intestate, LLC) on behalf of the Superior Court Clerk's Office for the County in which the property lies includes the ad valorem or the estimated costs of recording of this loan document and may include additional monies for the possible future recording of assignments or re-recording of loan documents on the lender's behalf. If no fee is collected for recording by Andrew W Hartman, LLC (aka Hartman-Intestate, LLC) then the ad valorem monies shall be added to attorney's fees. If no title insurance is collected, Andrew W Hartman, LLC (aka Hartman-Intestate, LLC) shall not require the P.O.C. or Seller to reimburse it for same, unless the re-recording is caused by P.O.C. or Seller's error. The amounts collected herein for our ad valorem and oversight fees may include the actual or estimated cost of P.O.C. services to our unpaid employees' salaries. If the actual cost of these services for the period exceeds fees from our unpaid, the additional monies shall be added to attorney's fees. If no title is collected by Andrew W Hartman, LLC (aka Hartman-Intestate, LLC) shall not require the P.O.C. or Seller to reimburse it for same.

Next, here is the final budget breakdown -- we were about \$5300 over our original estimate, but given that we added nearly 700 square feet to the design after that budget was created, I'm thrilled about our final budget numbers. Ultimately, our costs for demo and construction were right about \$60/square foot:

# Diary of a New Construction Project

INTERIOR					
Trade	Task	Labor	Materials	FINAL TOTAL	ORIGINAL EST
Management/Permits	Demo Permit	\$ 1,240.00	\$ -	\$ 1,240.00	\$ 1,500.00
	Permits - Application Fee	\$ 675.00	\$ -	\$ 675.00	\$ -
	Permits - Recompense Fee	\$ 285.00	\$ -	\$ 285.00	\$ -
	Permits - Permit Fee	\$ 1,796.00	\$ -	\$ 1,796.00	\$ 1,500.00
	Expeditor	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
Drawing/Architect	Permit Printing/Copies	\$ 210.60	\$ -	\$ 210.60	\$ -
	Porta-Potty	\$ -	\$ 340.00	\$ 340.00	\$ -
	Architect / Drawings	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 4,000.00
	Engineering Consultation	\$ 190.00	\$ -	\$ 190.00	\$ 500.00
	Survey	\$ 650.00	\$ -	\$ 650.00	\$ 1,000.00
Demo	Average Set-Back Survey	\$ 325.00	\$ -	\$ 325.00	\$ -
	Final As-Built Survey for C.O.	\$ -	\$ -	\$ -	\$ -
	Asbestos Survey & Abatement	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -
	Rodent Letter	\$ 75.00	\$ -	\$ 75.00	\$ -
	Demo House	\$ 6,500.00	\$ -	\$ 6,500.00	\$ 10,000.00
Foundation	Dumpster for Construction	\$ -	\$ 1,175.00	\$ 1,175.00	\$ 800.00
	Brick Removal from Demo	\$ 450.00	\$ -	\$ 450.00	\$ -
	Mark Building Corners w/Stakes	\$ 250.00	\$ -	\$ 250.00	\$ -
	Grading/Silt Fence	\$ 3,500.00	\$ -	\$ 3,500.00	\$ -
	Foundation for Addition	\$ -	\$ -	\$ -	\$ 4,000.00
Framing	Entire New Foundation	\$ 10,328.50	\$ -	\$ 10,328.50	\$ -
	Foundation Waterproofing	\$ 787.50	\$ -	\$ 787.50	\$ -
	Termite Treatments	\$ 325.00	\$ -	\$ 325.00	\$ -
	Crawlspace Vents	\$ 250.00	\$ 74.87	\$ 324.87	\$ -
	Framing	\$ 29,315.08	\$ -	\$ 29,315.08	\$ 15,000.00
Sheetrock	House Wrap	\$ 840.00	\$ -	\$ 840.00	\$ 1,800.00
	Sheetrock	\$ 7,698.00	\$ -	\$ 7,698.00	\$ 8,000.00
	Batt Insulation in Walls	\$ 2,335.00	\$ -	\$ 2,335.00	\$ 2,500.00
	Blown Insulation in Attic	\$ 700.00	\$ -	\$ 700.00	\$ 1,000.00
	Interior Paint	\$ 3,300.00	\$ 2,147.19	\$ 5,447.19	\$ 4,000.00
Carpentry/Trim	Finish Carpentry & Trim	\$ 2,500.00	\$ 1,924.05	\$ 4,424.05	\$ 8,000.00
	Fireplace	\$ -	\$ 575.00	\$ 575.00	\$ -
	Exterior Doors	\$ 611.73	\$ 202.12	\$ 813.85	\$ 3,000.00
	Interior Doors	INCLUDED	\$ 1,627.04	\$ 1,627.04	\$ 5,000.00
	Windows	\$ 475.00	\$ 2,334.12	\$ 2,809.12	\$ 6,000.00
Electrical	Upgrade Service and Panel	INCLUDED	\$ -	\$ -	\$ 1,500.00
	Power Pole	\$ 450.00	\$ -	\$ 450.00	\$ 500.00
	Rough Electrical	\$ 4,200.00	\$ -	\$ 4,200.00	\$ 3,500.00
	Finish Electrical	\$ 2,650.00	\$ 1,122.03	\$ 3,772.03	\$ 3,000.00
	Main Water/Sewer Lines	\$ 550.00	\$ -	\$ 550.00	\$ -
Plumbing	Rough Plumbing	\$ 4,232.00	\$ -	\$ 4,232.00	\$ 3,000.00
	Finish Plumbing	\$ 2,908.00	INCLUDED	\$ 2,908.00	\$ 3,000.00
	Build Tile Shower	\$ 680.00	\$ -	\$ 680.00	\$ 3,000.00
	Kitchen Cabinets	\$ 3,230.13	\$ -	\$ 3,230.13	\$ 3,500.00
	Bathroom Vanities	\$ 486.25	\$ -	\$ 486.25	\$ 1,000.00
Cabinets	Countertops	\$ 2,769.16	\$ -	\$ 2,769.16	\$ 2,000.00
	Backsplash in Kitchen	INCLUDED	\$ -	\$ -	\$ 800.00
	New Decking for Subfloor	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Hardwood	\$ 3,200.00	\$ -	\$ 3,200.00	\$ 6,500.00
	Carpet Upstairs	\$ 2,470.00	\$ -	\$ 2,470.00	\$ 1,000.00
Flooring	Tile Floor/Backsplash/Shower	\$ 1,231.48	\$ 909.48	\$ 2,140.96	\$ 850.00
	HVAC	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00
	DET Test	\$ 300.00	\$ -	\$ 300.00	\$ -
	AC Cage	\$ 319.92	\$ -	\$ 319.92	\$ -
	Install Appliances	\$ -	\$ 2,390.53	\$ 2,390.53	\$ 4,000.00
Appliances	Punch List	\$ 1,525.68	\$ 78.29	\$ 1,603.97	\$ 1,600.00
	Cleaning	\$ 250.00	\$ 17.26	\$ 267.26	\$ 150.00
	Overhead	\$ 36.00	\$ -	\$ 36.00	\$ -
	Inspection Repairs	\$ 486.62	\$ -	\$ 486.62	\$ -
INTERIOR TOTAL:		\$ 120,387.65	\$ 14,916.98	\$ 135,304.63	\$ 126,000.00
EXTERIOR					
Trade	Task	Labor	Materials	FINAL TOTAL	ORIGINAL EST
Roof	Roof Decking	INCLUDED	\$ -	\$ -	\$ 2,000.00
	Roof Replacement	\$ 4,147.31	\$ -	\$ 4,147.31	\$ 3,500.00
Gutters	Gutter Replacement	\$ 856.00	\$ 24.25	\$ 880.25	\$ 1,500.00
	Siding, Trim, Soffit, Fascia	\$ 9,365.00	\$ -	\$ 9,365.00	\$ 12,000.00
Siding	Stone and Trim on Exterior	\$ -	\$ -	\$ -	\$ 3,000.00
	Exterior Painting	INCLUDED	\$ -	\$ -	\$ 3,500.00
Deck	Build Deck	\$ 1,750.00	\$ 3,002.26	\$ 4,752.26	\$ 3,000.00
	Tree Trimming	\$ 700.00	\$ -	\$ 700.00	\$ -
Landscaping	Landscaping	\$ 2,414.66	\$ 258.41	\$ 2,673.07	\$ 500.00
	Driveway	\$ 2,400.00	\$ 220.61	\$ 2,620.61	\$ -
EXTERIOR TOTAL:		\$ 21,632.97	\$ 3,505.53	\$ 25,138.50	\$ 29,000.00
TOTAL:				\$ 160,443.13	\$ 155,000.00
Cost/Square Foot				\$ 60.05	2672 Square Feet



## Diary of a New Construction Project

Finally, here is our final overall analysis, with our total profit, split between my partner and myself -- this represents about 32% ROI, and given that it took almost exactly a year to complete, that would be an annualized 32% ROI as well:

<b>PURCHASE COSTS:</b>	
Earnest Money	(\$3,000.00)
Due at Closing	(\$27,831.58)
<b>Total:</b>	<b>-\$30,831.58</b>
<b>REHAB COSTS:</b>	
Contractor / Labor	\$ (142,020.62)
Materials	\$ (18,422.51)
<b>Total:</b>	<b>-\$160,443.13</b>
<b>HOLDING COSTS:</b>	
Property Taxes	(\$1,817.96)
Insurance/Utilities/Etc	(\$981.39)
<b>Total:</b>	<b>-\$2,799.35</b>
<b>SELLING COSTS</b>	
Selling Price	\$269,900.00
Commission To Agents	(\$8,720.88)
Buyer Home Warranty	\$0.00
Buyer Closing Cost / Concessions	(\$5,000.00)
Seller Closing Costs	\$0.00
Proration of Taxes, Insurance, Escrow	(\$14.94)
<b>Total:</b>	<b>\$256,164.18</b>
<b>PROFIT:</b>	<b>\$62,090.12</b>

# Diary of a New Construction Project

## ABOUT THE AUTHOR

J Scott (he goes by "J") is a full-time real estate investor and rehabber living in the suburbs of Baltimore, MD. He is originally from the East Coast, and until spring of 2008, he resided in Silicon Valley (California), where he spent many years in management at several Fortune 500 companies.

In 2008, J and his wife decided to leave the 80-hour work weeks and the constant business travel behind. They quit their corporate jobs, moved back East, started a family and decided to try something new. That something new ended up being real estate, and five years later, they've built a successful business buying, rehabbing and reselling single family homes.

Since 2008, J and his wife have rehabbed over 60 of their own houses for more than \$1M in profits, and have mentored and assisted other investors in rehabbing over 100 more properties. These days, the team has branched out, now flipping houses in different parts of the country and focusing on larger new-construction projects.

J has detailed his real estate adventure on his blog: <http://www.123flip.com>, where he discusses all his team's triumphs, failures and results -- including all the nitty-gritty financial details of the business. J is also the author of two top-selling books on real estate, "[The Book on Flipping Houses](#)" and "[The Book on Estimating Rehab Costs](#)."

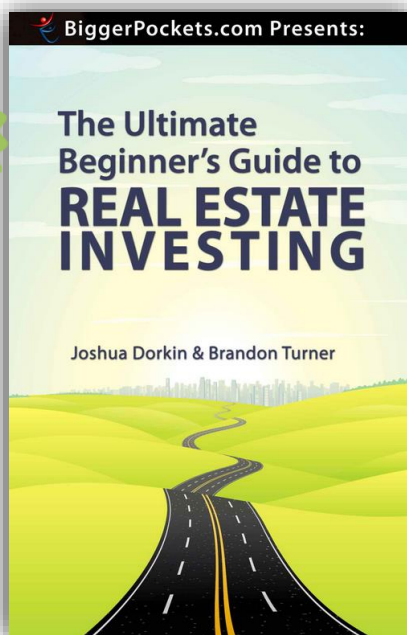
J can be reached at [questions@123flip.com](mailto:questions@123flip.com).



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