Homebuilding Case

John Smith wants to build a new home, and he wants you to manage the project. Since you have been close friends for years, you offered to do this for free to help him out and gain experience. You sat down to talk about the project, and here’s what he shared:

He just found out his wife, Jane, is expecting their first child, and he wants the home to be finished so that they are moved in and settled by the time the baby is born, in a little less than 8 months in mid-August. He has the lot, in a lovely Bellevue neighborhood, with neighborhood restrictions and noise covenants before 8 and after 6 PM. He has managed to obtain a construction loan of $250K.

His other friend, the architect, has drawn up plans for a 2500 square foot home with three bedrooms, a master bathroom, a full bathroom and a powder room. The plans also include a garage with room for two large vehicles and a mobile home.

There are a few really important items on the wish list:

* They own a really cool Sub Zero professional refrigerator that they will be re-using, but that is the only appliance they have
* The want the home to be very high-efficiency: the furnace should be very efficient, and the wall, ceiling and floor insulation must meet his expectations (A factor of 21, R factor of 28, and R factor of 25, respectively). He wants his windows and doors to meet NFRC class 40 ratings standards.
* He is really worried about earthquakes and wants to make sure his house is built to current code.
* He has always had crummy garages and wants this one to be nice
* He wants to be able to add air-conditioning in the future when he can afford it
* His wife loves gardening and wants to make sure that the site is left in good shape for her to develop