

Allowances

When walking through a model or spec home, it's easy to take for granted that there is a lot of decision making that goes into making a home look inviting and warm. In addition to selecting a home design, someone has to select the windows, cabinets, flooring, appliances, heating and air conditioning, even the front door. These decisions and many more will help you to define the home of your dreams. The better educated you are to make these decisions, the better equipped your builder will be to give you a fair and accurate price.

There are varied approaches that builders take to incorporate the features and technologies you want in your home. Some builders will have you make all your selections up front so they can clearly lay out your costs in your contract. Other builders offer all inclusive homes, which have a standard package of features. Allowances are another common approach. Since the builder can not possibly anticipate everything you are going to want throughout the entire home; the builder will provide allowances in your contract that cover everything from lighting, plumbing, cabinetry, hardware, flooring, painting and staining, and more. Regardless of which approach the builder you select uses, make sure that what is included matches what you would like in your home.

To get a proper understanding of allowances, let's examine some of the choices you might be making in your master bath. If you want your bathroom to boast a chandelier positioned over an air tub, a glassed-in shower with multiple heads, a dual vanity with multiple drawers that stretches the length of one wall, heated ceramic tile flooring, and one of a kind plumbing fixtures, it stands to reason that your builder should be providing allowances that are generous enough to cover your specific tastes. What makes allowances difficult is that in this example alone, we've stumbled into several types of allowances – cabinetry, plumbing, flooring, hardware, and lighting fixtures. When you share detailed information like this with your builder, you make it easier for him or her to properly allocate for your allowances.

Properly planned allowances are an essential component in the building process. Make sure all the amenities or upgrades you have requested are confirmed in writing. The better you understand what you would like in your new home, and the better you communicate those desires to your builder, the more likely you are to finish your home within your budget.

Learning about the products and technologies that you want to be a part of your home can be fun. Don't underestimate the value of talking to family members or friends who have gone through the building process. They may have some advice as to the areas of your home where you should spend a little extra, or perhaps a little less. Visit the Parade of Homes, Spring Tour of Homes & Condominiums, product showrooms, or sites online to help you better understand all of your options.