

HOMEWORKS

Balancing Developer and Buyer Responsibilities

Stephen Kendall, PhD
Infill Systems US LLC / Philadelphia, PA
www.infillsystemsus.com

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Production residential builders strive to reduce uncertainty and thereby reduce prices and increase speed to market. One way to accomplish this is to avoid listening to individual buyer preferences.

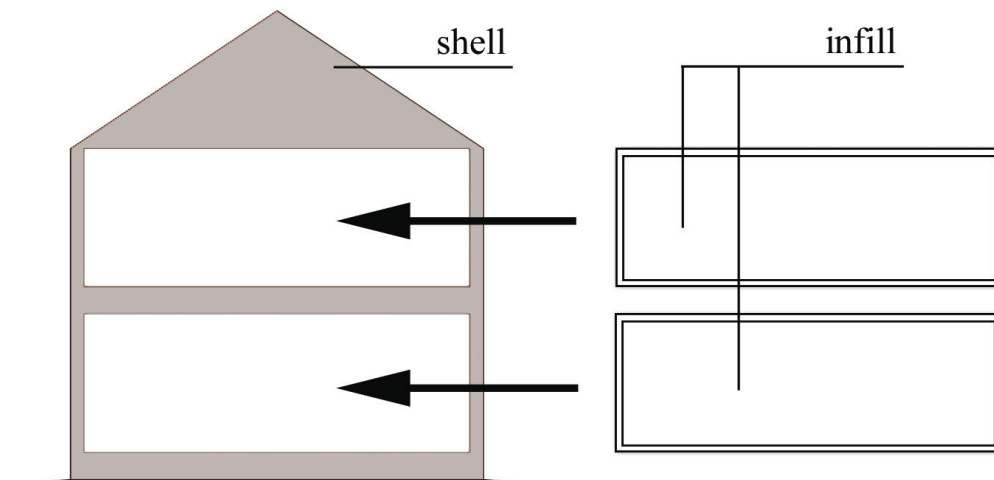
Custom builders of residential properties also need to avoid uncertainty, while managing prices and schedules. But because they have chosen the custom market, they gear their production and decision processes to meet individual buyer preferences.

How can these two processes be reconciled? In America, we certainly should be able to deliver residential properties that are both affordable, of high quality and long-term value, and that meet individual preferences.

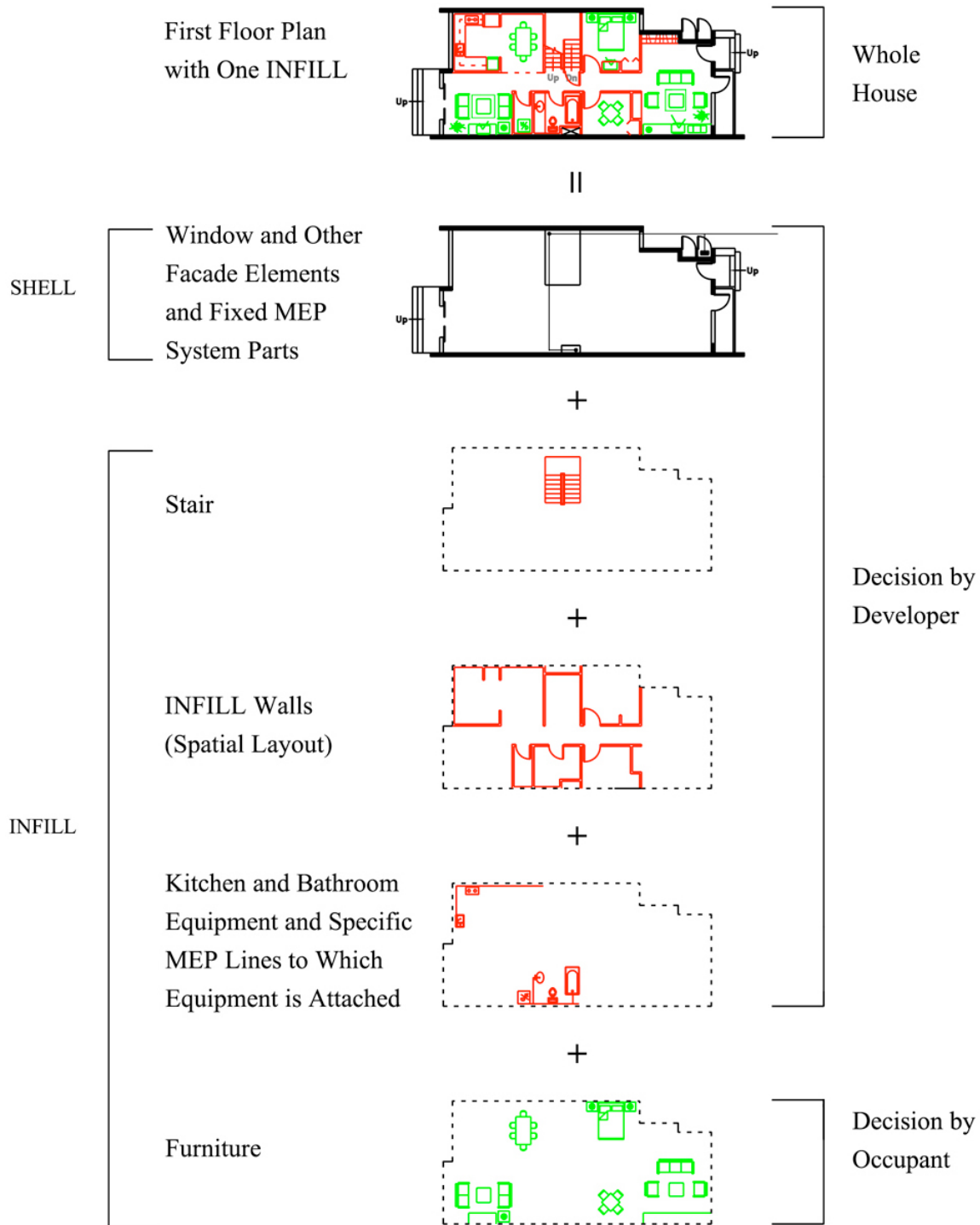
INFILL SYSTEMS US LLC offers a way to reach this goal.

Realizing efficient variety in house building is possible by separating decision-making into two decision “bundles” - a SHELL (production builder) and an INFILL (or FIT-OUT) (custom builder).

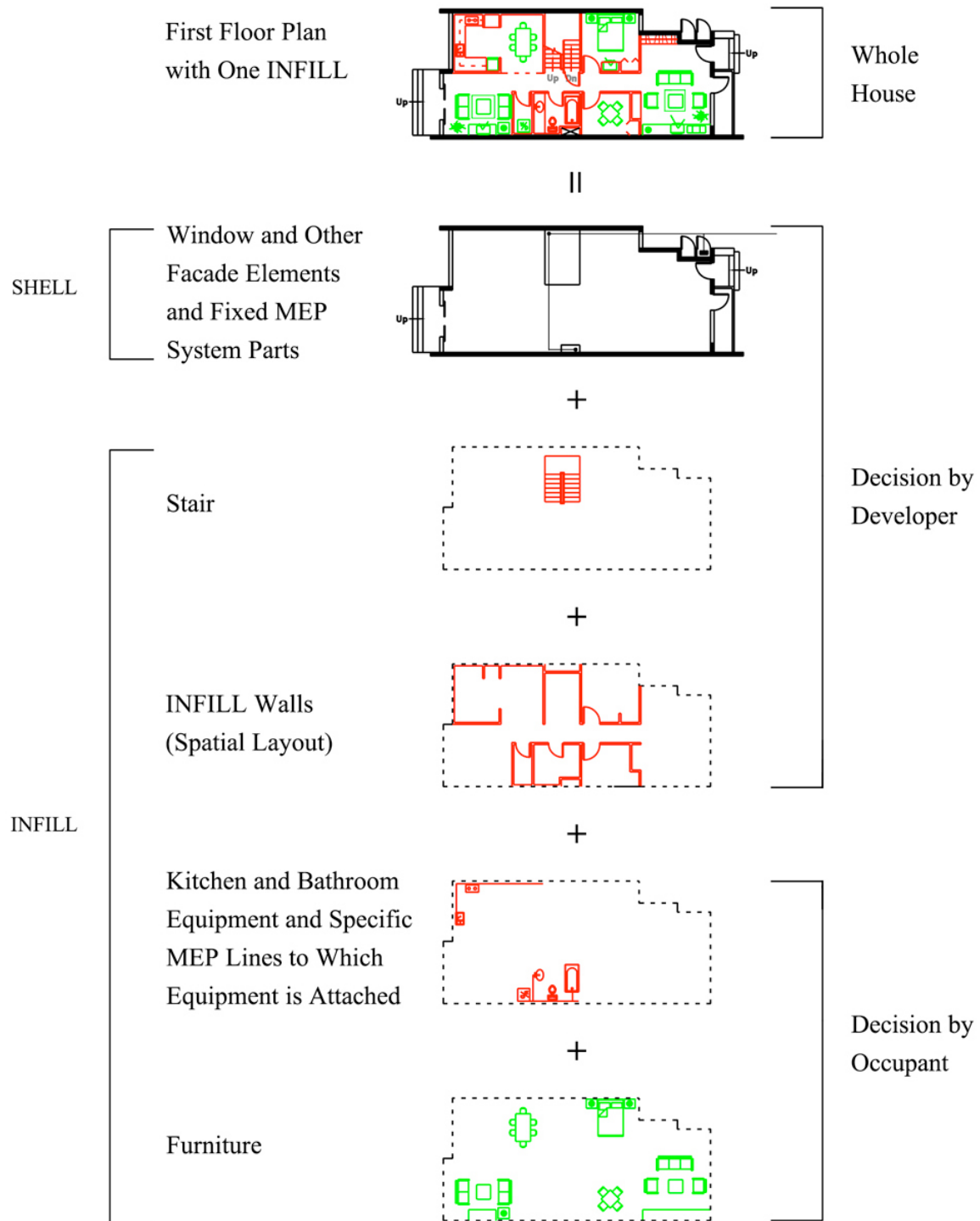
In the notes that follow, both the SHELL and the INFILL (or FIT-OUT) are understood as being composed of many thousands of parts, some of which can be prefabricated off-site, and others can and should be assembled on-site. In the diagram below, the SHELL can be stick-built, modular or a combination. The INFILL (or FIT-OUT) can be assembled partially off-site, but everything made off-site has to go into the SHELL through a door or window opening. The SHELL must meet local environmental regulations, urban design standards, and other local conditions.



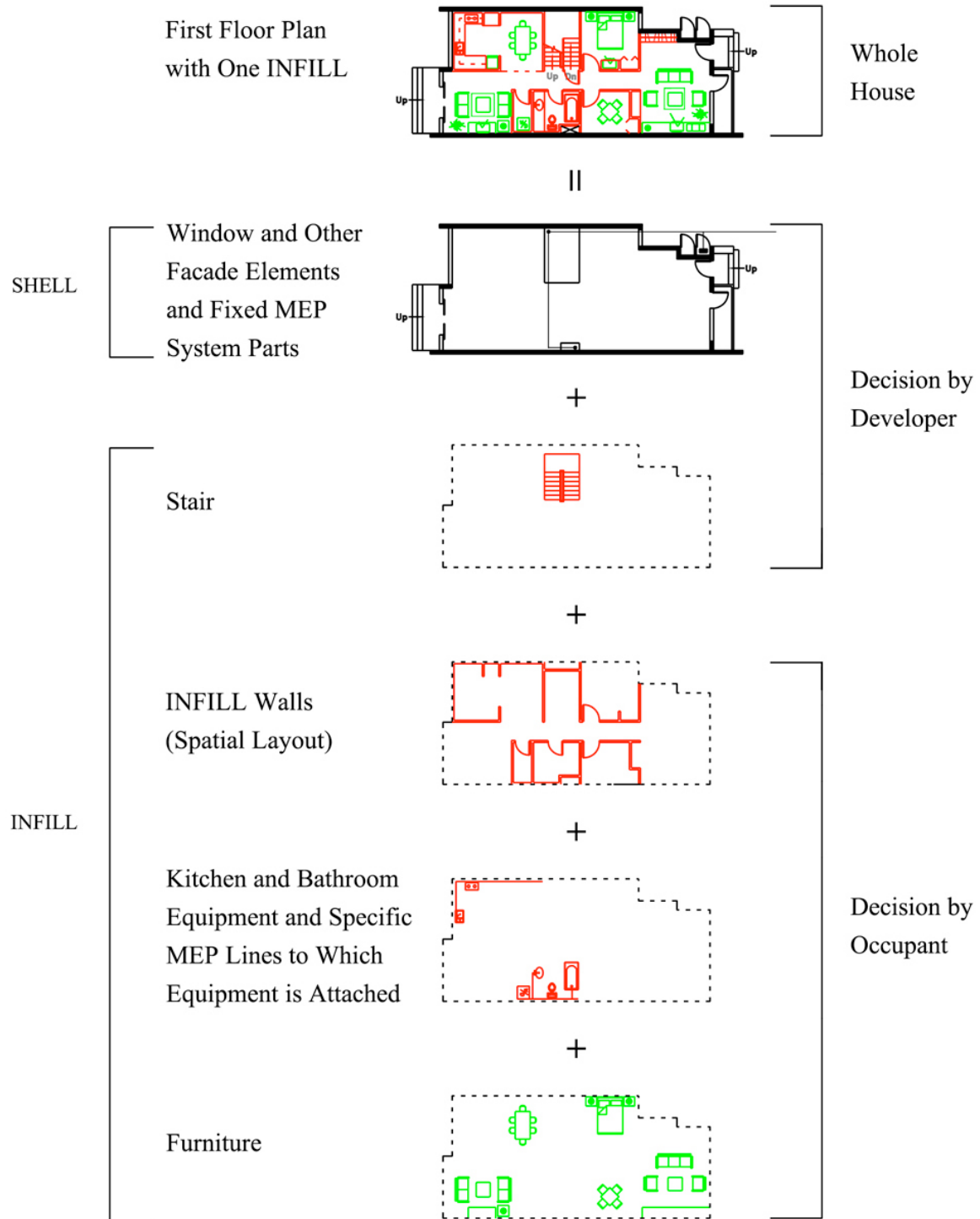
A TOWNHOUSE type is used as an example. In such a development, built by a production builder, the developer decides almost everything, leaving the buyer only the furnishings and some finishes to select and arrange.



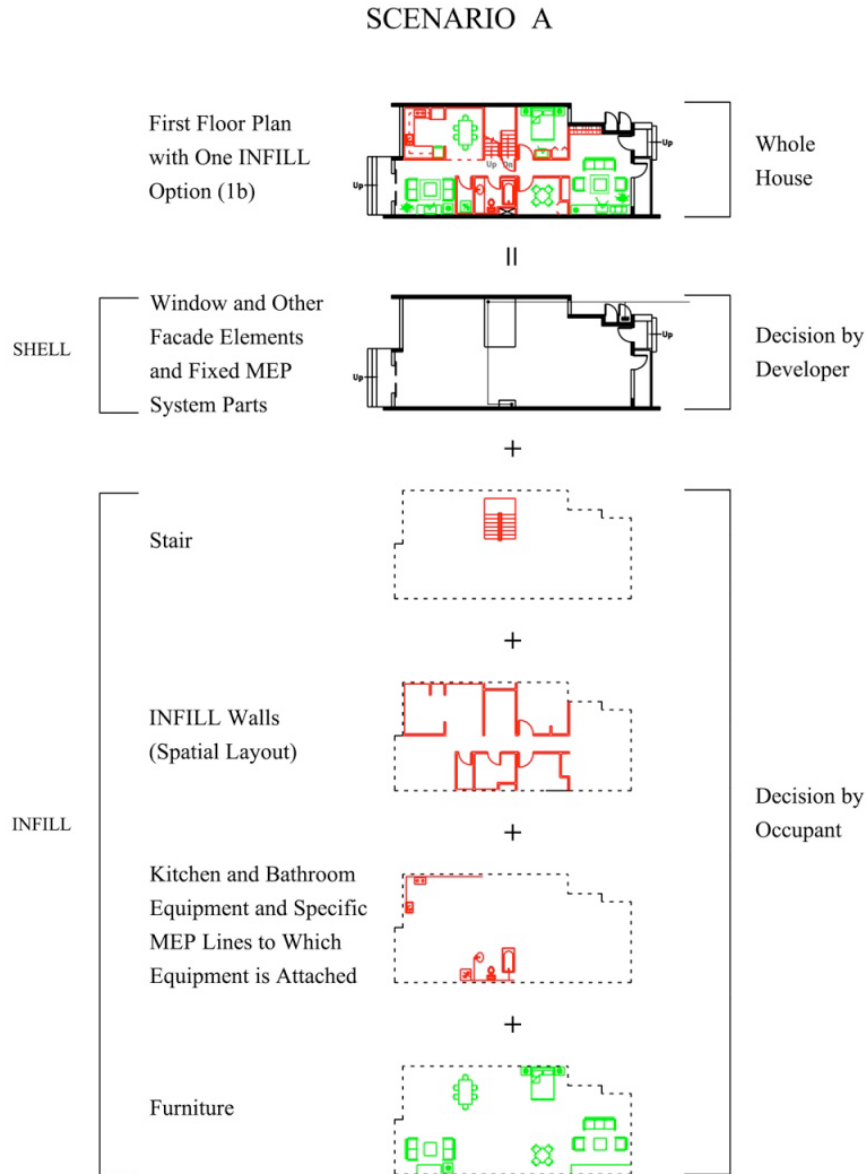
Intermediate divisions of responsibility are also possible, and are evident in the market, in which, the homebuyer's decisions expand. The diagram below shows such an intermediate distribution of control, where the buyer decides on the kitchen and bathroom fixtures and fixture layouts (up to a point).



Further expansion of the buyer's responsibility is possible, as this diagram shows, in which the buyer decides on the floor plan, number and size of rooms, including location of the bathroom(s) and kitchen.

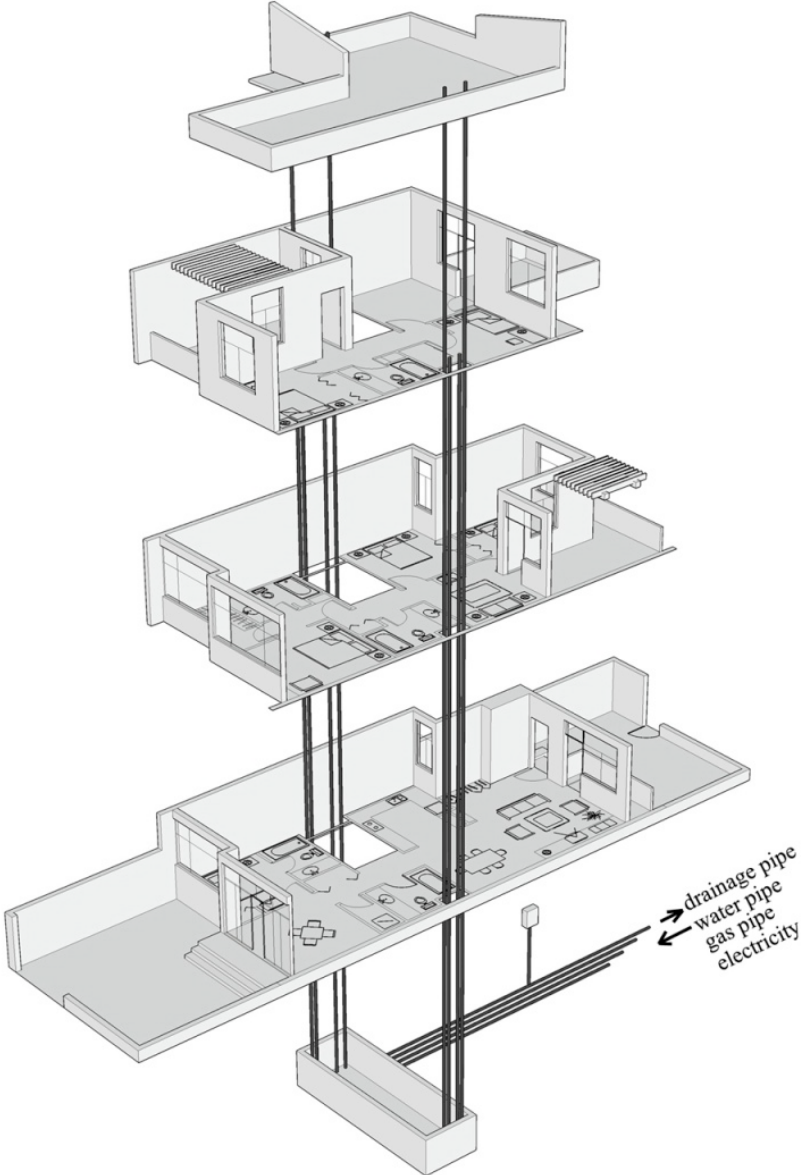


An even greater level of individual customization can be reached, as the diagram below shows. While pushing the boundary, the developer still assumes risk for land acquisition, the design of the urban layout and overall architectural style, permitting, and the performance of the energy-efficient building SHELL. The buyer assumes responsibility for “everything behind the front door” and perhaps some minor aspects of the exterior.



One of the big challenges to a developer/builder working this way is handling the mechanical systems, when the internal layout of the house is not known when the SHELL is built and offered for sale.

This problem is easily and affordably solved with current knowledge.



This is what the distinction between a SHELL and INFILL (or FIT-OUT – shown in red) would look like. Every house can be individualized (largely inside but to a certain extent outside as well) in a sustainable architectural infrastructure.

One goal is to make customization possible for initial homebuyers. Another goal is to enable long-term customization less difficult than current building practices allow. We know that some of the most desirable neighborhoods are those that have undergone – over decades – gradual changes initiated by homeowners.



This approach to residential development is what makes our most loved urban townhouse neighborhoods in America attractive, and explains in large measure why they maintain value over decades. A profitable residential development is well organized and has good amenities, while naturally enabling transformation over time.

This is what makes a sustainable and attractive residential neighborhood. It sells.

The knowledge of how to implement this way of doing business exists.

Infill Systems US LLC is ready to assist. Please contact us at www.infillsystemsus.com