

**2024**  
**OPERATIONS SURVEY**

**Company Name:** \_\_\_\_\_

**I. COMPANY**

A) Geographic location: Main office

1) City \_\_\_\_\_ State \_\_\_\_\_ Approx. population \_\_\_\_\_

Geographic locations: Divisions

2) City \_\_\_\_\_ State \_\_\_\_\_ Approx. population \_\_\_\_\_

3) City \_\_\_\_\_ State \_\_\_\_\_ Approx. population \_\_\_\_\_

4) City \_\_\_\_\_ State \_\_\_\_\_ Approx. population \_\_\_\_\_

5) City \_\_\_\_\_ State \_\_\_\_\_ Approx. population \_\_\_\_\_

B) Describe your PRIMARY type of residential construction

1) Custom Homes \_\_\_\_\_ %

2) Production Homes – single-family \_\_\_\_\_ %

3) Production Homes – multi-family \_\_\_\_\_ %

4) Single-family for rent \_\_\_\_\_ %

5) Multi-family for rent \_\_\_\_\_ %

C) 2024 Gross Revenue - homes for sale only (single-family and multi-family) \$ \_\_\_\_\_

C) Projected percentage of sales revenue growth for 2025 \_\_\_\_\_ %

E) Number of ready to build finished lots in inventory at year end (2024) \_\_\_\_\_  
This represents a supply of: \_\_\_\_\_ months

F) Number of years supply of land controlled: owned, under contract or option \_\_\_\_\_ years

G) Provide the following production information for 2024 \_\_\_\_\_

1) Number of active communities \_\_\_\_\_

2) Number of single-family units closed \_\_\_\_\_

3) Number of multi-family units closed \_\_\_\_\_

H) Do you build in: \_\_\_\_\_ %

1) Scattered lots \_\_\_\_\_ %

2) Communities \_\_\_\_\_ %

I) How many W-2 employees do you currently employ? \_\_\_\_\_

1) Full time (excluding sales agents) \_\_\_\_\_

2) Part time (excluding sales agents) \_\_\_\_\_

3) On-site sales agents \_\_\_\_\_

J) Do you offer flex time? Yes \_\_\_\_\_ No \_\_\_\_\_

K) Do you have an on-going drug testing program? Yes \_\_\_\_\_ No \_\_\_\_\_

L) Do you have: (check all that apply)

1) Written employee manual \_\_\_\_\_

2) Written job descriptions \_\_\_\_\_

3) Formal organization chart \_\_\_\_\_

4) Formal orientation/training program for new employees \_\_\_\_\_

5) Continued training program for employees \_\_\_\_\_

## II. HUMAN RESOURCES

- A) Do you have a full time HR Manager? Yes \_\_\_\_\_ No \_\_\_\_\_
- B) The HR Manager reports directly to the:
- |                    |                                |
|--------------------|--------------------------------|
| 1) CEO _____       | 3) VP Finance/Accounting _____ |
| 2) President _____ | 4) Other _____                 |
- C) What is your current employee turnover rate? \_\_\_\_\_%
- D) What is your Superintendent's turnover rate? \_\_\_\_\_%

## III. PRODUCT DEVELOPMENT/DESIGN

- A) Do you have a new product design standard process? Yes \_\_\_\_\_ No \_\_\_\_\_
- B) What is the typical duration of the design process? \_\_\_\_\_ months \_\_\_\_\_ days
- C) Who participates in the process? (check all that apply)
- |                         |                               |
|-------------------------|-------------------------------|
| _____ Architect         | _____ Engineers               |
| _____ Sales & Marketing | _____ Top Management          |
| _____ Production        | _____ Purchasing & Estimating |
| _____ Key Trades        | _____ Other _____             |

## IV. PRODUCTION

- A) Does your company use the following? (check all that apply)
- |                                   |   |
|-----------------------------------|---|
| _____ Trade contractor agreements | _____ Safety programs                         |
| _____ Supplier agreements         | _____ Even-flow starts (slots)                |
| _____ Scopes of work              | _____ Quality checklists (job ready/complete) |
| _____ Purchase orders             | _____ Final quality inspection checklist      |
| _____ Variance purchase orders    | _____ Trade contractor evaluations            |
| _____ Start packages              | _____ Computers/tablets/smart phones          |
| _____ Master central schedules    |   |
- B) Do you have a production/superintendent manual? Yes \_\_\_\_\_ No \_\_\_\_\_
- C) Does your company have a Trade Council? Yes \_\_\_\_\_ No \_\_\_\_\_
- D) What are the average **CALENDAR** days from:
- |  | Plan       | Actual     |
|--|------------|------------|
| 1) Contract to start (dig date)                            | _____ days | _____ days |
| 2) From start to closing for homes of less than 1,800 s.f. | _____ days | _____ days |
| 3) From start to closing for homes 1,800 to 2,500 s.f.     | _____ days | _____ days |
| 4) From start to closing for homes 2,500 to 4,000 s.f.     | _____ days | _____ days |
| 5) From start to closing for homes 4,000 to 6,000 s.f.     | _____ days | _____ days |
| 6) From start to closing for homes over 6,000 s.f.         | _____ days | _____ days |
- E) Do you allow structural changes? Yes \_\_\_\_\_ No \_\_\_\_\_
- Do you allow structural changes after start? Yes \_\_\_\_\_ No \_\_\_\_\_
- F) Do you allow non-structural custom options? Yes \_\_\_\_\_ No \_\_\_\_\_
- Do you allow non-structural custom options after start? Yes \_\_\_\_\_ No \_\_\_\_\_
- G) Do you have a quality assurance program? Yes \_\_\_\_\_ No \_\_\_\_\_
- How do you manage the program? Internal \_\_\_\_\_ Third Party \_\_\_\_\_
- H) Cost variances as a percentage of direct construction cost \_\_\_\_\_%

- I) How many internal inspections do you conduct? (check all that apply)
- |                                     |                   |
|-------------------------------------|-------------------|
| _____ Foundation                    | _____ Frame       |
| _____ Drywall                       | _____ Paint       |
| _____ Prior to customer orientation | _____ Other _____ |
- J) Average number of homes closed, per superintendent, in 2024:
- 1) Entry level (less than 2 years residential experience) \_\_\_\_\_ houses
- 2) Experienced (more than 2 years residential experience) \_\_\_\_\_ houses
- K) Average number of houses supervised per cycle by superintendent \_\_\_\_\_ houses
- L) Production capacity
- 1) What is your optimum production capacity in # of units? \_\_\_\_\_ houses  
(Optimum # of houses a superintendent could close per year times # of superintendents)
- 2) What % of capacity are you currently operating on? \_\_\_\_\_ %  
(# of houses closed divided by production capacity)

## V. WARRANTY

- A) Warranty work is managed by:
- |                           |  |
|---------------------------|--|
| _____ Superintendent      | _____ Both (Superintendent & Warranty) |
| _____ Warranty Department | _____ Third Party                      |
- B) Average number of punch list items at:
- 1) Internal walk (pre-orientation) \_\_\_\_\_ items
- 2) Orientation walk with buyer \_\_\_\_\_ items
- 3) Closing walk with buyer \_\_\_\_\_ items
- 4) Reported after closing during one-year warranty \_\_\_\_\_ items
- C) Average \$ amount of first year warranty cost per house \$ \_\_\_\_\_  
(Include cost of warranty department staff allocated to each unit)

## VI. SALES AND MARKETING

- A) What is your sales conversion rate? \_\_\_\_\_ %  
(Total contracts divided by traffic units)
- B) Cancellations:
- 1) Cancellation rate (cancellations divided by total contracts) \_\_\_\_\_ %
- 2) Reasons given for cancellations:
- |             |         |                 |         |
|-------------|---------|-----------------|---------|
| Financing   | _____ % | Relocation      | _____ % |
| Contingency | _____ % | Dissatisfaction | _____ % |
- C) Concessions:
- 1) Average price concessions given to buyers \$ \_\_\_\_\_
- 2) Percentage of sales price \_\_\_\_\_ %
- D) Do you have a sales training manual? Yes \_\_\_\_\_ No \_\_\_\_\_
- E) Number of active plans offered for sale \_\_\_\_\_ plans
- F) Average number of options offered for sales \_\_\_\_\_ options
- G) Average % of options and upgrades sold to total sales price \_\_\_\_\_ %

- H) Average number of change orders processed per contract \_\_\_\_\_ change orders
- I) Average number of change orders per contract processed after start \_\_\_\_\_ change orders
- J) How are your sales agents compensated?
- 1) Salary only \_\_\_\_\_
- 2) Commission only \_\_\_\_\_
- 3) Salary plus commission \_\_\_\_\_
- K) Do you have a Design Center? Yes \_\_\_\_\_ No \_\_\_\_\_
- L) Who oversees the Design Center?
- \_\_\_\_\_ Sales \_\_\_\_\_ Operations
- \_\_\_\_\_ Purchasing \_\_\_\_\_ Third Party
- M) % of advertising and marketing expenses used in electronic media \_\_\_\_\_%  
such as website, social media, Google ads, etc.

## VII. FINANCING

- A) Average interest percentage paid on construction loans \_\_\_\_\_%
- 1) Interest rate based on:
- Prime + \_\_\_\_\_%
- Fixed rate \_\_\_\_\_%
- 2) Up-front points paid on construction loans? \_\_\_\_\_%
- 3) Personal signature required? Yes \_\_\_\_\_ No \_\_\_\_\_
- 4) Discount points paid for buyers? Yes \_\_\_\_\_ No \_\_\_\_\_
- How many points? \_\_\_\_\_%

## VIII. CUSTOMER SERVICE

- A) Do you have a homeowner's manual? Yes \_\_\_\_\_ No \_\_\_\_\_
- B) Formal meetings held with buyer: (check all that apply)
- \_\_\_\_\_ Selections/décor \_\_\_\_\_ Preconstruction
- \_\_\_\_\_ Frame/pre drywall \_\_\_\_\_ Orientation
- \_\_\_\_\_ After move-in \_\_\_\_\_ Other \_\_\_\_\_
- C) Buyer orientation meeting is conducted by:
- \_\_\_\_\_ Superintendent \_\_\_\_\_ Warranty Department
- \_\_\_\_\_ Both (Superintendent & Warranty) \_\_\_\_\_ Other \_\_\_\_\_
- D) Do you survey the following? (check all that apply)
- \_\_\_\_\_ Target market \_\_\_\_\_ Community traffic
- \_\_\_\_\_ Buyer prior to closing \_\_\_\_\_ Buyer after closing
- E) How do you conduct surveys?
- \_\_\_\_\_ In-house \_\_\_\_\_ Both
- \_\_\_\_\_ Third Party
- F) If you survey, what is your "willingness to refer" rating? \_\_\_\_\_%

## IX. TECHNOLOGY

- A) Computers, tablets, and other mobile devices being used by: (check all that apply)
- \_\_\_\_\_ Sales agents \_\_\_\_\_ Superintendents
- \_\_\_\_\_ Warranty technicians \_\_\_\_\_ Design Center

B) Do you have a "customer" oriented website/portal/app? (check all that apply)

|                        |                           |
|------------------------|---------------------------|
| _____ None             | _____ Information updates |
| _____ Documentation    | _____ Selections          |
| _____ Customer Service |                           |

C) Do you have a "vendor" orientated website/portal/app? (check all that apply)

|                 |                                 |
|-----------------|---------------------------------|
| _____ None      | _____ Information and documents |
| _____ Bidding   | _____ Purchasing                |
| _____ Schedules | _____ Payment documentation     |

D) Are you currently using any cloud-based services/systems in your business?

Yes \_\_\_\_\_ No \_\_\_\_\_

E) Which of the following systems are currently automated or planned to be automated in 2025?

| Current | 2025  |
|---------|---|
| _____   | _____ Accounting                            |
| _____   | _____ Design (CAD)                          |
| _____   | _____ Estimating                            |
| _____   | _____ Purchasing/PO's                       |
| _____   | _____ Schedules/Project management          |
| _____   | _____ Marketing/Sales/Lead-tracking         |
| _____   | _____ Website-customer oriented             |
| _____   | _____ Website-vendor oriented               |
| _____   | _____ Payment approval (paperless)          |
| _____   | _____ Payment releases (direct deposit/ACH) |

#### X. INSURANCE AND LITIGATION

A) What were your 2024 annual premiums for the following?

- 1) \$ \_\_\_\_\_ Worker's comp
- 2) \$ \_\_\_\_\_ General liability
- 3) \$ \_\_\_\_\_ Umbrella: Amount of coverage \$ \_\_\_\_\_
- 4) \$ \_\_\_\_\_ Mold
- 5) \$ \_\_\_\_\_ Group medical

B) What types of coverages are excluded? (check all that apply)

- 1) \_\_\_\_\_ Mold
- 2) \_\_\_\_\_ Soils
- 3) \_\_\_\_\_ OSB
- 4) \_\_\_\_\_ Other (describe):

C) Are you currently in litigation for mold related issues? Yes \_\_\_\_\_ No \_\_\_\_\_

D) Are you currently in litigation for product defect issues? Yes \_\_\_\_\_ No \_\_\_\_\_

E) How are you documenting construction processes to support future litigation? (check all that apply)

- 1) \_\_\_\_\_ Photos
- 2) \_\_\_\_\_ Third Party inspections (other than building department)
- 3) \_\_\_\_\_ Internal checklists
- 4) \_\_\_\_\_ Trade checklists
- 5) \_\_\_\_\_ Buyer sign-off's