

THE OFFSITE FIELD GUIDE

Everything You Need to Know to Build

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Introduction

This is the guide I wish someone had given me years ago. Building a custom home—whether it's your primary residence, a vacation retreat, or a rental property—is one of the most complex and rewarding projects you'll ever undertake. It's also one of the most intimidating.

Building things is hard, complicated, and inevitably stressful at times. A home is a very, very big thing. But laying a good foundation of understanding what you're about to do can make the process considerably smoother, and this guide is here to help you along that path.

Over the following chapters, we'll walk through everything that actually matters when building a custom home. These principles hold true regardless of your specific goals. You'll learn what questions to ask before you break ground, how to evaluate land, how to translate your vision into design, and how to manage the construction process without losing your mind—or your budget.

Here's something that might surprise you: the most important decisions happen before you ever talk about the building itself.

Chapter 1: Foundation Before Foundations

Most People Start Backward

Almost always, the first thing I'm shown by a client is a Pinterest board filled with beautiful kitchens, stunning exteriors, and carefully curated floor plans. They're ready to design. They've been thinking about this for months, maybe years.

The problem? They almost certainly haven't answered the three questions that determine whether their project succeeds or becomes a cautionary tale.

Before we get to picking tile or debating open-concept layouts, there's unglamorous groundwork that sets the foundation for everything else. Skip this phase and you'll pay for it later—usually in both time and money.

Three Questions That Define Your Project

Before you spend a dollar on design, get clear on these:

How many nights per year will you personally use this property?

Be honest. "A few weekends" is very different from "every summer plus holidays." This number determines everything from layout to furnishing quality to your actual return on investment. If you're planning to use it two weeks a year versus six months a year, those are fundamentally different design briefs.

How do you envision yourself using the space?

This is my favorite question, and it's an unbelievably helpful exercise for both you and your designer. The best way to answer this is through narrative. Take a few paragraphs to detail a day in your life in your dream home. Describe what you see pulling up the driveway, how you cook and eat dinner, what the light looks like when you wake up. Are you working there? Hosting dinner parties? Reading by the fire?

There are ten thousand decent floor plans online, but until you know how you want your days to unfold, you'll never be able to identify a layout that actually works for you.

What's your maximum comfortable all-in investment?

Notice I didn't say "construction budget." I said total investment—including land, design fees, permits, furnishing, landscaping, and the inevitable splurge on that light fixture you fall in love with halfway through construction.

We'll dig deeper into budgeting later, but you need a hard number in your head going into this process. It should be more than you think construction will actually cost, because building is just one piece of a much larger puzzle. A simple spreadsheet will suffice for now to get you to your maximum number.

Bonus question for rental properties: What's your target annual rental revenue? Not "as much as possible"—an actual number based on comparable properties in your area. If you don't know what's realistic, you can't design effectively.

These aren't philosophical exercises. They're the filter for every single decision you'll make over the next 12 to 18 months—from floor plans to doorknobs.

The Budget Reality

Take whatever construction budget number you're thinking about. Add thirty percent. That's closer to what you'll actually spend.

I've watched this happen dozens of times. Someone gets a construction estimate for \$600,000 and quotes come in on budget. Then reality hits: it's been a year since the original quote and interest rates have gone up, along with material costs. There were some large boulders where the foundation was planned and the foundation estimate got bumped. Engineering, permits, utility connections, landscaping, furnishing, window treatments, those upgraded light fixtures you fell in love with during construction. Suddenly that \$600,000 project cost \$720,000, and no one is happy.

The difference between a stressful project and a smooth one often comes down to cushion. If you have your hard number, we can make sure we're accounting for that cushion on day one. Whether people build successfully or regret the experience frequently hinges on this: honest budgeting from the start.

This is also a good time to start getting your finances in order. Start talking to banks, gathering your tax returns, checking your credit score. The earlier you're comfortable with how you're financing this, the earlier you'll know your actual maximum budget.

Start Your Research Folders Today

Create four folders—digital or physical, doesn't matter (though we're partial to good old paper):

Local Requirements

What are the actual permit timelines in your area? What's the approval process? Are there design review boards? Environmental constraints? This research prevents nasty surprises six months down the road. The best way to get this information is to call the local building department directly. They may have documents online, but you'd be surprised how many small towns don't maintain comprehensive websites.

Contractor Research

Find three contractors who've built similar projects recently. Not the ones with the fanciest websites—the ones with actual completed homes you can visit. Ask to see their work. Talk to their previous clients.

Comparable Sales and Rentals

What are properties like yours actually selling or renting for? Not aspirational pricing—real data from similar homes in similar locations. If you find recently built comparable homes for sale, you can get a rough estimate of construction costs since they're likely looking at a 15 to 25 percent markup on their all-in cost, market willing.

Real Project Images

Photos of actual built projects, not architectural renderings. Definitely not AI-generated images—they're basically worthless for this purpose. I promise that someone has built something inspiring that's similar to what you want. Finding those real examples will be far more helpful than fantasy renderings. Focus on details that matter: how spaces flow, where storage lives, what finishes hold up over time.

The Timeline Variable Nobody Mentions

Here's something that surprises almost everyone: the biggest variable in your timeline isn't design work or construction speed. It's permitting and approvals.

Projects can be delayed eight months because of issues that could have been identified with two hours of research before purchasing land. Setback requirements, septic constraints, architectural review board requirements, environmental regulations. Do your due diligence—or we can help you. A little upfront investment can save enormously down the road.

The clients who have the smoothest experience? They researched this before they were emotionally and financially committed to a specific site.

Chapter 2: Finding and Evaluating Land

You found it. The perfect piece of land. Great views, reasonable price, close enough to town but far enough for privacy. You're ready to make an offer.

Take a breath. Let's make sure it actually is perfect.

I've seen too many people fall in love with a lot only to discover six months later that it's going to cost an extra \$150,000 just to make it buildable, or that the approval process will take eighteen months instead of six, or that the septic system won't fit within the setback requirements. I've been there myself and had to sell land without ever breaking ground. It's painful.

Today we're talking about what to actually look for when evaluating land—and what should make you walk away, no matter how beautiful that view is.

The Cheap Lot That Costs a Fortune

Some things really are too good to be true. There's usually a reason that lot is priced under market value.

Land has been in high demand since the pandemic, especially near major metro areas. Agents know what the market can bear, and they're not going to list something significantly under value. If you think you found a great deal, look very, very closely.

That discount exists for a reason—usually several reasons:

- Steep slopes that require expensive foundation work and longer driveways
- Access issues that mean utility connections cost five times the normal rate
- Soil conditions that require engineered solutions
- Wetlands or environmental constraints that limit where you can build
- Restrictive covenants or architectural review boards that reject designs and drag out timelines

The "expensive" lot next door? Often cheaper to build on by the time you factor in all the extras.

There are exceptions. You might find something off-market or for-sale-by-owner. The seller might be desperate to cash out and wants it to move fast. But that's unlikely. If something is priced under market rate, find out exactly why. It's worth bringing a few consultants on site during the due diligence phase to get real numbers on development costs.

What to Research Before You Fall in Love

Zoning and Setbacks

This is basic but crucial. What can you actually build here? Some lots look spacious until you mark off the required setbacks from property lines, and suddenly your buildable area is a narrow strip. Setbacks can be 75 feet or more in some districts. Check local zoning ordinances—most are online now and can be found on the town's website under their building and zoning department.

Utilities

Where's the nearest connection point for power, water, and internet? Running utilities more than a few hundred feet gets expensive fast. If you're looking at well and septic, what are the soil test requirements

and costs? These systems can vary greatly based on the site—it's best to get a professional assessment before you're all-in.

Access and Roads

Is there legal access to the property? Is there a right of way in place, meaning you have to cross someone else's property to reach yours? What condition is the road in? Will you need to upgrade it or maintain it? Some municipalities require road improvements as a condition of building permits.

Topography and Drainage

Walk the property. Where does water go when it rains? Flat land is expensive to drain. Steep land is expensive to build on. You want moderate slope with natural drainage away from the building site. Pay close attention to low areas and soil moisture. It's worth visiting right after a heavy rain once you're under contract and can still back out.

Permitting History and Site Context

Call the local building department and ask about typical timelines. Are there design review boards? Environmental reviews? Some jurisdictions are quick and reasonable. Others are nightmares. Also consider who's next door, whether there are established covenants, and what the area's trajectory looks like. For a rental property, this matters more than you think. Many towns are beginning to restrict short-term rentals in residential areas.

Tools for Land Research

Finding land for sale:

- Zillow.com
- Realtor.com
- LandWatch.com for better filtering on raw land
- Land And Farm for rural and recreational properties
- Local MLS through a real estate agent who specializes in land (recommended)

Evaluating properties:

- County GIS maps (most counties have these online) show property lines, setbacks, and flood zones
- USDA Web Soil Survey reveals soil types and limitations
- FEMA Flood Map Service assesses flood risk
- Local zoning ordinances are usually available on municipal websites
- Google Earth Pro (the desktop version) now has very good property data

The Site Visit Checklist

Here's what to look for during your site visit:

- Walk the property during or right after rain if possible. You'll see drainage patterns you'd never notice on a sunny day.
- Bring a phone with GPS and map the property boundaries. Surprises happen when people assume fence lines are property lines.
- Look for signs of previous disturbance—old foundations, septic systems, buried debris. These create complications.

- Check cell phone reception. Seriously. If you're planning a rental property, guests expect connectivity.
- Drive the access road in the worst conditions you can manage. That charming country lane might be impassable half the year.

Red Flags That Should Make You Walk

- Seller won't allow soil tests or environmental assessments before closing. This is non-negotiable. If they won't allow it, there's a reason.
- Unusually long or complicated legal descriptions often indicate access issues, easements, or boundary disputes.
- 'Approved building site' without documentation. Get the actual permits and approval letters, not verbal assurances.
- Neighbors who immediately tell you about problems with the property when you visit. Listen to them.
- Lots priced significantly below comparable properties without obvious explanation. Find out why before you make an offer.

The Right Way to Make an Offer

Make your offer contingent on:

- Satisfactory soil and percolation tests
- Building permit approval for your intended use
- Title review showing clear access
- Environmental assessment if there's any history of commercial use

Yes, this makes your offer less attractive to sellers. But it protects you from buying an unbuildable lot—which happens more often than you'd think.

Chapter 3: Programming Your Space

You've got a site. You've got a plan. Now comes the fun part.

Before we put pencil to paper and start designing, it's crucial to outline the program for your home. This means thinking through how your life operates (or how you want it to), the hierarchy of spaces, and what's truly important versus merely nice to have.

As we work through this, you'll develop a clear vision of what you actually want and need, making design decisions significantly clearer down the road.

The Wish List Problem

When most people start programming a space, they jump straight to a wish list: three bedrooms, kitchen island, clawfoot tub. These are all valid thoughts to bring to the table, but they can obscure what's actually important for the space and prevent better solutions from being considered.

One way to move beyond a wish list is to get hyper-specific about the spaces. Go back to question two from Chapter 1: "How do you envision yourself using the space?" Instead of thinking "I want a big kitchen to cook in," we might consider "I need to cook for five people most nights, but up to twelve at least once a month. I want the family at the dinner table most nights, but when we host we'll mostly be in the living room."

For your office, instead of listing desk and shelving requirements, think through a normal workday: "I'll be working solo three days a week, but I bring in clients occasionally. I have a large collection of reference books that I consult daily, and I always have music playing while I work."

Shifting from a list to a narrative leaves possibilities open for design solutions. And yes, if you're really attached to that clawfoot tub, you can still have it.

Thinking Through Rentals

Many of the spaces we design serve dual purposes as both rental and personal properties. Both have very different needs and design solutions. It's difficult but helpful to mentally commit to the home being primarily one or the other. If you think it may be your permanent home one day, err on that side. If it's always going to be a rental and you never plan on using it more than a few weeks a year, commit to that approach.

Decor aside (anything in a rental will take a beating, so don't install your heirlooms), there are several considerations for rental-oriented design. First is storage—you need much less of it if it's primarily a rental. We'll maximize bedrooms to accommodate more guests and focus on durable, simple specifications that can easily be repaired and replaced.

It's important never to over-optimize for rentals, however. You might want to sell someday, and that would limit your buyer pool significantly. We always want to make sure it still functions as a home.

Core Functional Requirements

After we've refined our narrative and committed to what type of home this will be, we can start laying out requirements: what rooms are needed and what each room requires. This is getting down to brass tacks, and we can start to see the shape of the house take form.

Consider:

- Sleeping capacity and bedroom configuration
- Gathering spaces and how people actually use them
- Storage (always underestimated for primary homes)
- Kitchen size based on actual cooking versus entertaining
- Outdoor spaces and seasonal considerations

Beyond the requirements of these spaces, we also examine their relationships to one another. Do the kids get their own wing? Does outdoor space become accessible from the kitchen or the living room? Is the office off the primary bedroom or near the kitchen?

There's no single correct answer to any of these questions—they depend entirely on what's important to you and how you envision using the space.

Rental-Specific Considerations

If you plan on renting the unit, there are several additional considerations (we can help—we're hosts too). First is the guest experience. Similar to how you wrote a narrative for your house, this works best in story form, taking guests from booking through arrival to departure. What information do you send when they book? Is there a house guide waiting? Is the smart thermostat impossible to use without an engineering degree? You want to make everything as simple and seamless as possible.

Next, consider operational efficiency. Where do extra bed linens get stored (you'll want plenty)? How does laundry get done? What's stocked in the pantry? These details make or break a rental property, especially if you're outsourcing management. If these aren't thought through, you'll be handling customer service constantly.

Marketing is another crucial element. Gone are the days when Airbnbs achieved 90 percent occupancy regardless of quality. Every market is competitive, and photography plus a strong social presence are your best tools for profitability. If you're building purely as an investment property, you're likely being extra cautious with budget. We can help identify a few unique moments in the design and materials that will set your listing apart. Every site and house is different, so this really comes down to you, your personality, and where you want to invest—then leveraging that investment through visuals and storytelling.

Finally—maintenance. Homes need it, especially when you're not living in them daily to stay on top of issues. We can help create a maintenance schedule and design for straightforward systems and operations. It's not glamorous, it often costs money, but it's essential for keeping your property running smoothly and holding its value.

Future-Proofing Decisions

Things change. Families grow, finances shift, priorities evolve. It's difficult to predict what life will look like in three months, let alone seven years. If there's one principle we believe in when it comes to design, it's flexibility. Whether you need to add on an addition or sell and move on, it's worth ensuring you don't limit your options because of decisions made now.

Consider a few possible scenarios for the home's future and decide what's worth investing in now versus what could come later if circumstances change. Can a room be subdivided if another child arrives? Can a screened porch be added if you move in permanently? Will you need a home office in five years, and if so, can it serve as a spare bedroom for rentals in the meantime? The possibilities are endless, but you probably have some sense of what's likely, and we want to account for those scenarios.

Even if you don't plan on selling anytime soon—or ever—it's worth considering resale value and marketability as an important factor. As we said, you never know.

The Programming Exercise

With all of this in mind, let's break this down into a practical exercise to get you aligned and create something concrete to bring to design discussions.

First, write the narrative. It doesn't need to be long, but write a story about a typical day in your home for the primary resident (whether that's you or a renter). Then write about a special day in the home—maybe you're hosting Thanksgiving or the house is rented for a celebration. What is everyone doing, where are they gathering, sleeping, eating?

Once you have these stories, create two lists:

- Must Haves
- Nice to Have

Remember that these should be actions, not items. "Host dinner for eight" and "Take long showers with a view outside" are good examples, not "big dining room table" or "tiled shower."

Try to rank them by importance. Then assign what you'd be willing to pay for each—don't worry about precision, just do quick research if you feel uncertain about reasonable costs. We'll refine these numbers as we proceed, but it's helpful to know your priorities and approximate investment for each.

Once you have these, we can help reality-check the budget and determine where to compromise.

Chapter 4: From Program to Design to Permits

From our perspective, this is the most crucial phase. We take all the groundwork we've laid in understanding needs and goals and translate that into your design. It's the zero-to-one moment where everything starts to become real. It also begins to lock in budget and timeline, as well as mobilize your team.

Design is an iterative process and progresses through a series of phases to achieve the best possible outcome for your home. We'll break down that process here and explain all the goals and moving parts.

The Three Phases of Design

It's important to understand the phasing of design from here forward. At this point, we'll begin creating floor plans, elevations, and making general building systems and construction decisions. We're not quite at the point of selecting door handles, but that will come. The first goal is to arrive at a space that meets your needs, budget, and dreams. We call this Schematic Design.

Next, we'll prepare a set of documents that we can submit for building permits, known as Design Development. Finally, a full construction set is compiled, which includes all the details needed to build the home down to those doorknobs. Let's examine these three phases.

Schematic Design

Schematics is the first step in the design process. It's essentially the translation of all the written documents and compiled imagery you've gathered into the form of the house. It may start with one of our pre-designed homes, or we may start from scratch if you're looking for something truly custom. If we're starting from scratch, we'll typically develop two to three options for how the home might come together (the maximum number will be decided in the contract beforehand). Design has no single definitive answer, only a range of possibilities, all of which might meet your needs—though we'll work with you to find the solution that works best.

Throughout this phase, we're looking at the big picture. How do you enter the home? How are the rooms organized? Is there one floor or two? Basement, crawl space, or slab foundation? What type of heating and cooling systems will we use? We won't tackle details yet, just create the general layout and form of the home. We'll also conduct due diligence to ensure what we're designing meets all local, state, and national codes and regulations.

This phase culminates in several deliverables:

- Site plan
- Renders: exterior and interior
- Floor plans and exterior elevations
- General systems overview
- Any crucial material or product choices that are non-negotiable to your vision

By the end of this process, you should have a clear vision of what the house will become, though details won't be fully developed yet. The timeline for this phase can vary considerably. With a clear vision, it can happen in several weeks. If there's significant indecision or you want to explore many options, it can take months or more to arrive at a vision everyone is satisfied with—and that's perfectly fine.

Design Development

The development phase is when we take the vision and begin preparing it for construction. The main objective is to create plans that can be approved by your local building department so we can receive building permits. This means everything needs to be drawn to code and documented accordingly.

This phase is critical because we're effectively locking in numerous decisions. While it's always possible (and fairly common) to make changes once a permit has been issued, it's not ideal, so we want to get it right. There are several areas we focus on that are essential for obtaining the building permit:

- Construction methods
- Meeting insulation and efficiency requirements
- Building systems (mechanical, plumbing, electrical)
- Site plan
- Window and door specifications
- Egress and fire safety
- Structural calculations and drawings

These are the general categories a plan inspector examines when determining if a house meets all requirements for a permit. It's important to remember their primary job is ensuring your home will be safe. They generally don't care about aesthetics, nor do they have authority to deny a permit based on appearance (except in certain neighborhoods, such as historic districts or those with HOAs).

With that in mind, though we may start discussing flooring choices at this phase, we're typically not specifying exact material finishes, furniture, etc. on the drawing sets—we're only including what's needed to obtain permits. They need to know your flooring is wood for fire rating purposes; they don't need to know if it's oak or pine.

Depending on your town, you may need stamped drawings by a structural engineer to obtain a permit. Offsite does not provide these drawings but has preferred engineers we work with who can compile the structural set. Depending on your build's complexity, expect the structural set to cost anywhere from \$5,000 to \$8,000.

Once you have a design set and a structural set of drawings, it's time to apply for permits. You should have a general contractor selected at this point as well. It's typically the GC who applies for permits, so all of this will be coordinated with them. It's possible for the homeowner to pull permits, but it's not recommended unless you're taking on the GC role yourself (owner-builder), as there are typically insurance requirements you must meet.

For a fully custom design, expect the design development phase to take four to eight weeks for all documents to be prepared (much faster if using a pre-designed set). Once submitted, the time to receive permits varies widely. Some towns are backed up and may have a six-week review wait, while others can return them in 48 hours. Some sites may also require additional permits, like variances or septic permits. It's best to call the town before beginning to understand their expected timeline for your project.

Construction Documents

The final stage is compiling the construction documents. This is when we get down to the details of how the home is built. With all major decisions locked in during the permitting phase, now we address things like finishes, colors, appliance choices, countertops, etc. We'll also work through important aesthetic details that may have been unnecessary to show in the previous phase.

The number of choices to be made here is substantial, from siding stain to cabinet pulls in the guest bathroom. This phase may extend from before construction begins all the way through completion. We'll work closely with the contractor to create a list of decisions and a timeline for making them so we can have materials and equipment delivered before they're needed for construction. Typically, this is limited to building materials and equipment and doesn't extend to furniture.

Dual-Purpose Design

Keep top-of-mind throughout this process the intended use cases for the house. You should have a clear vision from our earlier exercises of how the home will be used (primary house, rental, vacation). If it's serving only one purpose, decisions are much clearer. But if you plan on using it personally and renting, or plan to sell relatively soon, you'll need to consider tradeoffs.

For example, consider flooring finishes. If it's your primary home, prioritize your personal aesthetic. Maybe you're a no-shoes household, so floor wear is minimal, and you're set on solid oak wide-plank floors in the entry. If you're renting it out even a few weekends a year, guests will likely track in mud and dirt, maybe even wear ski boots inside despite your repeated notes that shoes must come off. Those solid oak floors will show wear quickly.

This is just one example that holds true for essentially everything in the home, from appliances to cabinets to furniture. It's important to strike a balance between what you want and what's worth investing in if others will be using it.

The ultimate choice is yours, but we're here to identify downsides and help guide you through those tradeoffs. We've both operated and designed rental units, so we know what works, what gets damaged, and where investment is worthwhile.

The Cost-Design Feedback Loop

Throughout this entire process, every decision you make will impact early cost estimates. As you've just read, many decisions get made after the Schematic Design phase, which is when you'll receive your first bids and select your contractor. While we try to provide as much information as early as possible to ensure accurate bids, it's common to make decisions that affect construction price one way or another.

Usually, this is as simple as selecting a material finish above the allowance originally specified by the contractor. We can easily swap those dollars for a more cost-effective finish elsewhere to stay within budget. However, sometimes major decisions get made—like adding a bathroom—and that requires what we call a "change order," which is a contractual change in scope and price for construction issued by the contractor. Offsite can help navigate these design decisions and determine what's feasible.

One of the biggest budget killers is structural members. Moving beyond traditional stick-framing methods (think the lumber department at Home Depot) and requiring things like steel beams, glulam timber, or custom-fabricated elements can get very expensive very quickly and often requires specialized labor. We prioritize discussing these items with you upfront and determining if any are important for the vision of the home, so we can avoid surprises down the road.

Chapter 5: Managing Construction

Once you break ground, things get serious. You need to manage construction, financing, and the timeline to ensure everything proceeds smoothly. Having someone on your team who knows the process can be invaluable for ensuring a successful build.

Building a home is complex, with many moving parts, numerous players involved, and countless opportunities for things to go wrong. It can be an incredibly fun, exciting, and rewarding process—but also stressful if expectations aren't met and things go off the rails. So let's get prepared.

Moving from Design to Construction

As we discussed in the last chapter, before beginning construction we'll have obtained permits and finished Design Documentation, which includes early visuals of the project along with a simplified set of construction documents from your designer and structural engineer suitable for permitting and initial construction. From here, it's time to dig into the details.

Much of the sequencing at this phase depends on the construction timeline. We want to schedule everything so decisions are made before the contractor needs them. If something gets held up due to indecision, lead times, or change orders, it can have a cascading effect on the timeline. Some things like pouring a foundation might only be possible in certain weather windows, so missing a deadline could set you back five months if you live in a cold climate.

The Designer's Role During Construction

Even though the design might be "done," it's invaluable to keep your design team engaged throughout the construction process. They take on two important roles during construction.

First is continuing to design and finish specifying items omitted from the permit set. These typically include exact finishes like paint and countertops, helping select appliances, specifying door hardware, and designing specific details like how a handrail turns a corner or how trimless walls are constructed. Anything not specifically designed will be left up to the contractor, which may be fine or may leave you with an unpleasant surprise.

The most important asset in any construction project is clear communication.

There's substantial information that can easily get lost in translation between a designer or owner's intent, construction documents, and how a contractor actually executes them. This can happen because of unclear drawings or because a contractor has done something a specific way before and chooses to follow what they know instead of what's been designed. Unfortunately, contractors aren't known for being the best communicators (they prefer building to talking), so it's extremely important to maintain open communication with them and learn to speak their language a bit if you don't bring on an owner's representative.

Your designer can be a major asset in ensuring plans are executed appropriately. In addition to continuing to help you choose materials, finishes, hardware, and appliances as construction progresses, their experience with building and intimate knowledge of the construction documents can help identify problems before they become unfixable.

Major Checkpoints

There are several important milestones during construction that require walkthroughs and approvals. Some building departments may require official inspections at these points, or if you've financed with a construction loan, your bank will likely require a walkthrough to assess progress before releasing additional funds. Even if they're not officially required to continue work, we highly recommend performing them yourself with an impartial home inspector.

Pre-Pour Inspection

The initial phase of new construction inspection occurs before the foundation's concrete is poured. This crucial inspection verifies proper site preparation, covering essential elements like grading, drainage, and the placement of rebar and other structural components. A correctly set foundation is vital for the overall stability and integrity of the new home.

Framing Inspection

After the foundation is complete, the framing inspection is the next crucial step. This inspection verifies the structural soundness of the framing—including walls, floors, and roof—to ensure it meets building codes and can safely bear required loads. Addressing any issues discovered during this phase is critical, as delays can become significantly expensive if not resolved promptly.

Pre-Drywall Inspection (Rough-Ins)

The pre-drywall inspection takes place before drywall installation. This critical inspection thoroughly evaluates the hidden electrical, plumbing, and HVAC systems. Inspectors check for proper installation and adherence to local codes, ensuring all systems are safe and functional.

Final Home Inspection (Pre-Closing)

The comprehensive final inspection takes place when construction is almost finished. Inspectors review all details, including fixtures, finishes, and general safety, to confirm everything is complete and meets required quality standards before homeowners receive the keys.

Warranty Inspection

A one-year warranty inspection is performed toward the end of the builder's warranty period to identify any new or developing issues. After living in the home for approximately a year, homeowners are often aware of issues that affect daily life. A professional inspection at this stage is crucial. It ensures any problems that have emerged as the home has "settled" are officially documented, allowing the homeowner to maximize the benefits of their builder's warranty.

During all these phases, it's important to have an impartial inspector accompany you to verify everything is done to code and at an acceptable level of craftsmanship. Make sure they're familiar with the design plans and goals of the home, and ensure you and the GC attend the walkthroughs. If we're brought on as your owner's representative, we'll always be present as well. Document everything in photos and video, and take notes. Follow up with a recap of the conversations and any issues immediately after the walkthrough.

A Note on Change Orders

The most stressful part of construction typically comes in the form of change orders. These occur when something about the original design needs to change by an amount significant enough to affect cost—and usually not by decreasing it. This can result from any number of issues: unexpected site

conditions (we found a gigantic boulder when excavating the basement), unavailability or price changes in materials, or simply deciding you can't live without that steam room.

It's important to remember this is normal and to be expected, which is why having a contingency in your budget is crucial. You also can almost always say "no" and work with your team to find another solution.

Chapter 6: Operating and Marketing Rental Properties

You've made it. You've gone from just an idea to a fully constructed home, ready for move-in. For this final chapter, we'll discuss special considerations for operating a rental property. Offsite designed, built, and operates its own cabin in Wassaic, New York, giving us a unique viewpoint into the specifics of short-term rentals. There are many considerations that will help ensure you run a profitable property.

Even if you're planning to build your forever home and never rent it out, there's likely valuable information here for managing and maintaining your home once you get the keys.

From Building to Running

Let's set the stage: You just got the keys to your new home. The sawdust is still settling and the rooms are empty, but it's move-in ready—except you're not moving in. Your plan is to start renting it out as soon as possible. That construction loan just converted to a traditional mortgage, and it's important you get it operational immediately.

Where do you even begin? Don't rush out to buy silverware organizers just yet. There was a time not too long ago when all you needed for a successful rental property was an Airbnb listing and clean sheets. That time is long gone. Most markets are saturated and very competitive, property managers have caught on and charge premium rates, and guests expect hotel-quality stays. There are so many options available that you really do need to stand out to be successful.

Don't worry—we're going to walk you through a game plan. In the following sections we'll cover everything you need to be successful:

- Building a business plan
- Marketing
- Furnishing and design
- Your operations team
- Customer service

Just How Passive Is This Income?

One of the biggest misconceptions is that a rental property generates passive income. It doesn't—it's a substantial amount of work. If you're just renting it out occasionally, it's not a big deal. But if this needs to be a profit-generating rental, you need to take it seriously.

This isn't to say it can't generate excellent income, but the less passive it is, the better your margins will be. Consider this: for short-term rentals you'll have as many as ten or more turnovers a month. If you're paying a property manager, that's likely \$2,000 or more. On top of your mortgage payment, operating expenses, booking fees, and your time answering "How do I find the driveway?" for the ninth time that month, despite your very clear communication and map sent in the welcome packet.

If you rented this to a full-time tenant, yes you might have lower revenue, but it would be consistent every month. Plus, you wouldn't have cleaning fees, booking fees, pay for toilet paper, or answer many questions after the first month. You also wouldn't be able to use it when you want, which is a huge perk of short-term rentals to keep in mind.

All this to say: the more you invest, the more you'll get out of it—both emotionally and financially (but mostly financially). If you can manage the property yourself, you'll save a substantial amount (most charge about 20 percent of revenue or a fixed rate around \$200 per guest), but you'll also spend considerable time working, which likely isn't sustainable if you have a full-time job or live outside the area.

Making the Numbers Work

The best thing you can do is take a few days to map out what needs to happen to make this successful. In essence, you're building a mini business plan for your rental unit. The easiest approach is to create a spreadsheet estimating these items by month. We'll lay out what you should track below. This isn't an exhaustive list, and some items may not apply to you while others may be missing, so adjust accordingly.

Key Performance Indicators

These are KPIs you'll track. Keep them at the top of the spreadsheet since some costs in your projections are calculated through them:

- Nights Booked (whole number)
- Average Nightly Rate (dollar amount, e.g., \$295)
- Occupancy Rate (nights booked divided by nights in month)

Income

This is straightforward—just your revenue from bookings. It'll change month-to-month assuming your area has high and low seasons, so do some research. Sites like AirDNA can provide initial information on rates and occupancy in your area by month, for a small fee. We recommend taking them with a grain of salt and giving yourself some cushion. If you sell additional items during guest stays, include lines for them as well. For your model, this should be a formula: $\text{Nights Booked} \times \text{Average Nightly Rate}$.

Expenses

You'll have two categories here: fixed and variable. Fixed expenses don't change month to month; variable expenses change based on your rentals and revenue. Do some research and make your best estimates. If these only occur during specific months, assign them only to those—otherwise spread them across the year.

Fixed expenses:

- Mortgage payments
- Landscaping and plowing
- Internet and subscriptions
- Utilities (these may fluctuate seasonally, but you can average for simplicity)
- Semi-permanent items (these eventually need replacement; assume a yearly cost and have backups on site): bedding, towels, serveware, cooking basics
- Unexpected costs (assume approximately 3 percent of home value per year)

You can choose to include upfront costs here as well (furniture, aesthetic renovations, etc.) and spread them across five years or a reasonable lifespan if you're considering them part of the rental investment. Don't include the build cost or any structural renovations that improve the home's value, as they're tied to the house as an asset, not the operating business. Those investments will be recovered (hopefully) at the sale or refinance of the home.

Variable expenses:

- Booking fees (if applicable)
- Consumables (toilet paper, body wash, olive oil, etc.)
- Cleaning fees
- Property manager and handyman

Once this spreadsheet is built, experiment with it. Ask yourself these questions, and try not to be overly optimistic:

- How much do I think I can rent the house for each night?
- What is a reasonable occupancy rate for each month?
- Will I at least cover my costs every month, or do I need operating capital?

It's best to approach this clear-eyed. If you're going to lose money in the winter when rentals are slow and need to cover your mortgage, make sure you have that cushion saved up.

After you've built a projections model for the year, create a new tab, copy it over, and clear it out. This will track your actual progress once you start renting. Set a calendar reminder to enter your actual numbers once or twice a month and compare them to your projections. Adjust your model as you get better data.

It's difficult to overstate the importance of having these models. They'll show you how you're actually performing and what you need to do to improve. You'll know if you have the profit margin to hire help, need to find a more affordable cleaner, or should invest in marketing to increase occupancy levels.

Furnishing and Staging for Bookings

Because this is an investment, if you have the ability to choose furnishings and decor yourself—do it. A penny saved is a penny earned. If you're aesthetically challenged, it's worth hiring help (we can assist). Just as we created a narrative to design the home, it's valuable for the interior. What vibe are you aiming for? Pick one and commit, because cohesive is always better than hodgepodge when it comes to interiors.

When selecting furniture, linens, and kitchenware, remember that not every guest will treat it the way you treat your own belongings. You want to strike a balance between quality and durability. All cheap everything will show and hurt your bookings. Luxury products have diminishing returns and will deteriorate quickly. Aim for mid-range products that look great, won't break the bank, and won't fall apart in months. A good resource for shopping is Minoan. You can even sell the products you buy through them, and they make placing orders simple. We have no affiliation with them; we just use and appreciate the service.

We've had guests bring pets (despite a no-pets rule), spill red wine in bed, celebrate birthdays a bit too enthusiastically, and misplace garage openers. You have to accept these things and assume they will happen. If it's an accident or even mild negligence, it's acceptable. If it's deceptive (like the pets), it's not. You're in the hospitality business now, so these things will occur despite how thoroughly you research a guest before accepting a booking.

Designing the Experience

To set yourself apart from all the other rentals in the area, take a page from the hotel playbook and think about the guest's experience across their entire journey. How do they find you? When they ask questions before booking, what do you share? Once they book, what information about the house and area do you send? Once they're there, is there a welcome gift waiting? What tone do you use when responding to questions during their stay? Do you follow up after they leave to ensure they made it home safely and had a good trip?

Create a narrative about the ideal guest stay—a short story about someone who books, from the time they make the decision to visit your town to when they return home. It will help you define numerous operating procedures for how you want things to unfold. If you choose to use a property manager who handles bookings, much of this may be out of your control—so research thoroughly and ensure they do an excellent job.

Photography and Marketing

When it comes to bookings, photos are king—followed by reviews. Once you've furnished the house, hire a professional photographer to document it. Airbnb will send a photographer if you use their platform, though we believe finding your own trusted photographer is a better investment. Spend a few days there yourself, discover when the light is most flattering, and create a shot list of everything you want documented. Aim for at least 15 photos.

You should also do a few bookings with friends and family first to work out the kinks. It's incredibly helpful to have people unfamiliar with the space tell you what's great and what needs improvement. The less they know about the house beforehand, the better. Plus, they can write you a great review afterwards.

If you can achieve "superhost" status on the platforms, your bookings will increase substantially. Make that status an early goal if you're using platforms.

If you're going through the build process knowing you'll offer rentals, start social media pages and document the build and vision now. Start sharing immediately. Compile guides about the area, showcase the construction process, share your furniture choices. It's an effective way to build demand so you don't start from zero.

Finally, once you're operational, try to get the listing featured on local "top 10 Airbnb" lists for your area. Most websites focusing on a local region have them, and they rank well in search results. The first thing people do is search "best place to stay in [location]" and these appear on page one. Find the editors and send them the listing, offering a complimentary stay. It works, and if it really is a quality property you might make the list. It's honestly the most effective way to generate bookings.

Some hosts offer influencers free nights in exchange for content and social sharing. This can work, but the influencer needs a very targeted following in your region. Otherwise, most of their following is likely nationwide or global, and most renters come from within a three-hour radius. Just something to keep in mind.

Conclusion

So here we are—we've walked through all the phases of building your dream home. From getting inspired to figuring out financing, design, construction, and now operating. This is a complex and lengthy process, and I hope this guide has been helpful and provided some clarity and direction.

We'd love to continue the conversation if we haven't overwhelmed you yet. We take on a handful of projects each year, and if you're seriously considering building a home or cabin, please get in touch.

Even if you're not ready to break ground yet, we'd appreciate you staying in touch and continuing to follow along. We'll continue sending regular information on design and construction. Feel free to email me directly any time with questions or thoughts about design, architecture, development, or anything else that crosses your mind.

Building a custom home is one of the most rewarding projects you'll ever undertake. Do it right, and you'll have not just a house, but a space that truly reflects how you want to live.

Sincerely,

Brian Vallario

Founder, Offsite