# The Money Pit

Have you ever felt like your real estate project is producing an endless stack of change orders?

There seems to be a plausible explanation for each one of them.  Do you want to shout "Stop the Madness"?

What are typical causes of change orders?

$ Unforeseen building conditions

$ Design changes

$ Incomplete Construction Documents

$ Conflicts between existing conditions and CDs

$ Conflicts between disciplines preparing sheets

In ***The Need for Speed*** we reviewed on a high level how the lack of time in the planning phases can have a negative impact on the schedule and budget.  I would like to take a deeper dive into the last three items listed above.

In the 29 years that I have been managing real estate projects (since I was 2), I have seen permitted construction drawings in all phases of completeness.  Without looking I can tell you that in almost every case, what were considered poor drawings were due to time allotted to drawing preparation and coordination.  Those of us who do not prepare drawings think that CAD and BIM programs have made it super easy and quick to prepare drawings.  It's similar to my thought because I watch football every Sunday (with a DVR) and have a Twitter account I could be a better head coach than Jason Garrett.  Wrong on both counts.

If you are investing a significant amount of money in leasehold improvements, don't you only want to spend dollars on something once versus two or more times?  Yes, of course, you do.  Let's review a couple of ideas to help facilitate fewer change orders.

**Field Verification**

As Clients look for more ways to reduce fees, I have observed that time spent on this has been severely reduced.  In some cases you can get away with this, but if you are going to move to a building that does not have current electronic files, your plans require added above ceiling equipment or added structural support this a step that should not be passed up and is well worth the relatively small added fees.  A miss on this phase will most likely have a ripple effect through all of the drawings. The larger the project, the more impactful this will be.

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**Initial Drawings**

The more sophisticated your space is directly correlates with time needed for this phase. Will you have training space, special use rooms; developmental labs, different types of collaboration space, Mother's Rooms, Prayer Rooms, Micro Markets, etc.? Allowing your Architect to more fully develop these rooms during this phase will provide time for your Engineers, Technology and Security teams the information necessary to develop their drawings correctly on the first pass.

**Coordination Meetings**

I have seen this pay off in spades so many times that I think it is short sided to not include this in every project. It is best accomplished with all disciplines in one room for a full day or two depending upon the size and complexity of the space and drawings. I have more tips on how to get more bang out of this buck.



I know time is a rare commodity these days as we all have more on our plate then we can handle. If you want to keep more money in your pocket by pouring less into the pit, contact us at info@cosourceinc.com. We will be glad to work with you and share our experiences for your benefit.

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