Controlling Costs in the Multifamily Industry

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Meet Your Speakers

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Who are We:

• We are a production multifamily builder developer specializing within several niche markets
• Currently have completed or are working on projects in 13 states
• Majority of our projects are Type 5A wood framed construction
• Our projects average between 50 and 300 units
The Annex of Terre Haute – Terre Haute, IN
Union at Crescent – Bloomington, IN
The Annex of Marion – Marion, OH
Preconstruction/Design Stage

• Efficient Design and Layout
  • Evaluate site and minimize cost, when possible)
    • Avoid major issues, identify challenges
    • Seek local incentives, TIF, waiving of fees, RE Tax
  • Standardize as much as possible
  • Look to hit efficiencies of 78-85%
  • Utilize and look into most cost effective floor and wall assemblies.
• Make sure to keep current energy code and costs associated with them.
• Take into account individual assemblies and cost associated with them
• Verify Exterior Options including what is typically to the local market.
• Incorporate efficient structural design
• Utilize familiar MEP contractors using design build
Individual Assemblies

- Stair systems we use a stair system with steel pan and risers with a precast concrete tread (connected to wood landings)
- On our walk up product we use a capped trex type product in lieu of lightweight concrete for breezeway areas
- HVAC systems we use individual unit systems and when possible we use a Vertical Packaged system (mapicpac) with traditional ductwork or a traditional split system
  - Mount bathroom fans in the sidewall to avoid fire damper
- Pay close attention to how you feed your units with water and fire protection.
  - Utilize a bird cage style system.
• Utilize efficient sitework details
  • Use curb walk combo when possible
  • Limit curbing and use curb that can be easily placed using a slip form machine

• Make sure you work with Structural and Geotechnical to get the most economical foundation system.
  • Limit rebar cages when possible
  • If post tensioned is used in the area talk to a local sub who does that.

• Look at that what is done predominately locally vs what you do in other markets.
  • In some markets exterior cladding using regular modular brick may be cheaper than a thin brick or alternate surface.
• Utilize a wet vent system for plumbing waste
• Try to utilize NFPA 13r if at all possible for FP.
  • Avoid building heights over 3 stories to avoid installation of a standpipe.
  • Utilize sidewall pendants when practical
  • Avoid dry systems when possible

• Use NMC Cable for all electric when possible
  • Use Aluminum Feeders for unit power
  • Avoid the use of can lighting and use LED puck lights instead (this avoids using a rated fixture)
• Utilize LVP flooring with a sound mat built in to meet STC ratings. We have found this to be much cheaper than adding a sound mat under the gypcrete (we use ¾ inch gyp over our sheathing)

• Utilize floor assemblies that do not require fire protection, nor conditioning of interstitial spacing. (watch your draft stopping)

• Utilize a single/Double Hung production type window.
  • Sizes can be maximized without needing additional studs at a reasonable price. (be careful with SH and staging of your project)
Lumber Challenges and Solutions

• Turn Key vs putting all of the pieces together
  • Challenges
    • Cash flow
    • Market volatility
    • Managing the pieces
  • Watch Lumber Market and buy at opportune times.
  • Look at advanced framing methods, inc top cord bearing trusses
  • Look at alternate species to mitigate waste
    • Hem Fir
      • Some additional cost but less waste
      • Higher quality walls
      • Longer lead times
      • Area dependent
During Construction

- Utilize the same suppliers over and over.
  - Multifamily familiarity suggested
- Try to standardize as much as possible.
- Watch exterior panel products and efficiencies.
  - Use standard lengths whenever possible
  - Board and Baton to save over track system
- Utilize production traveling sub contractors when possible.
- Get the same subs to travel with you
  - Production focused multifamily subs whenever possible
• Be as flexible possible
  • This is easier when you are owner and contractor
  • Make sure A/E and local AHJ are notified and sign off on changes.
• Adapt and take suggestions from your sub base
• Continually learn from every project.
  • All team members
• Maintain a lessons learned log to prevent making the same mistake twice.
  • Try to collect all team members thoughts ideas at a post project review and document.
Challenges

• Extremely difficult labor market
• Volatility in the materials we use
• Difficult to develop sites and challenges
• Increasing costs of regulation changes
• Changing weather patterns
• Local code amendments
• Local labor market challenges
Questions or comments
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