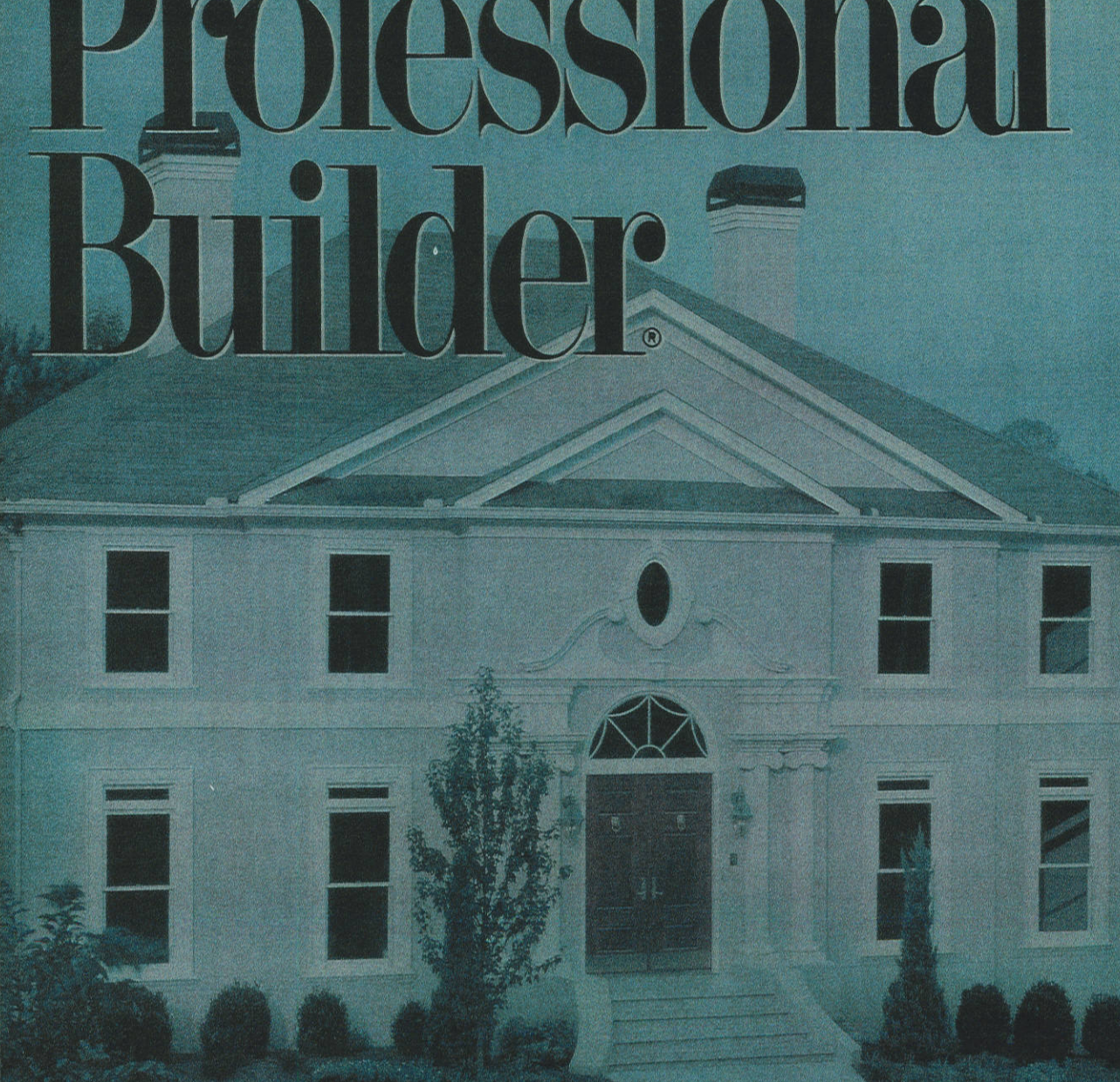


OCTOBER 1995

# Professional Builder®



*special  
report*

## **WOMEN BUILDERS**

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ONE ON ONE

# 'PEOPLE JUST DON'T BELIEVE I'M THE BUILDER'

*Cari Clark of Capital Homes in Austin, Texas, is doing what she always wanted—owning her own business.*

A lifelong resident of Austin, Texas, Cari Clark learned about the capital city's real estate market when she worked as a residential broker. When the Texas real-estate market began to falter in 1984, Clark hired on with a home builder and began selling new homes. Shortly thereafter, she purchased her first infill lot, designed a house to fit the character of the neighborhood and sold it before pouring the foundation. Eight years into her career as owner of Capital Homes, Clark, 34, has made a name for herself in Austin as a value-driven builder of one-of-a-kind, move-up houses. Andrea LaFreniere spoke to Clark about the demands of running a small-volume building company.

**Q** *What's your biggest hurdle as a woman builder?*

**A** People just don't believe I'm the builder—even acquaintances who know us. The other day I walked into an open house, and a realtor said, "Oh, Cari, you're the wife of that builder." But my bankers, my subs—the people who really matter—they know I started this thing and that my husband joined me.

"Think of me as a businesswoman,"—that's what I tell people. "Oh, you do the decorating," they say. It's frustrating to be stereotyped like that, but as I get older it doesn't bother me as much.

**Q** *What is the biggest issue you face as a woman who owns a home building company?*

**A** Credibility. It's not discrimination, but it's that I'm not credible with people like bankers, architects, subs or suppliers. It's the people who jump

to the conclusion when they first meet me that I couldn't possibly be a builder. Sometimes it's insulting. What I really am is a businesswoman, and there are plenty of businesswomen in the world.

It's a little frustrating to have to prove yourself every day. It doesn't take long—maybe an hour—but it's that you have to prove yourself to these people time after time after time. I suppose that's true of every business, even if you're a man. But you have to work harder at it as a woman.

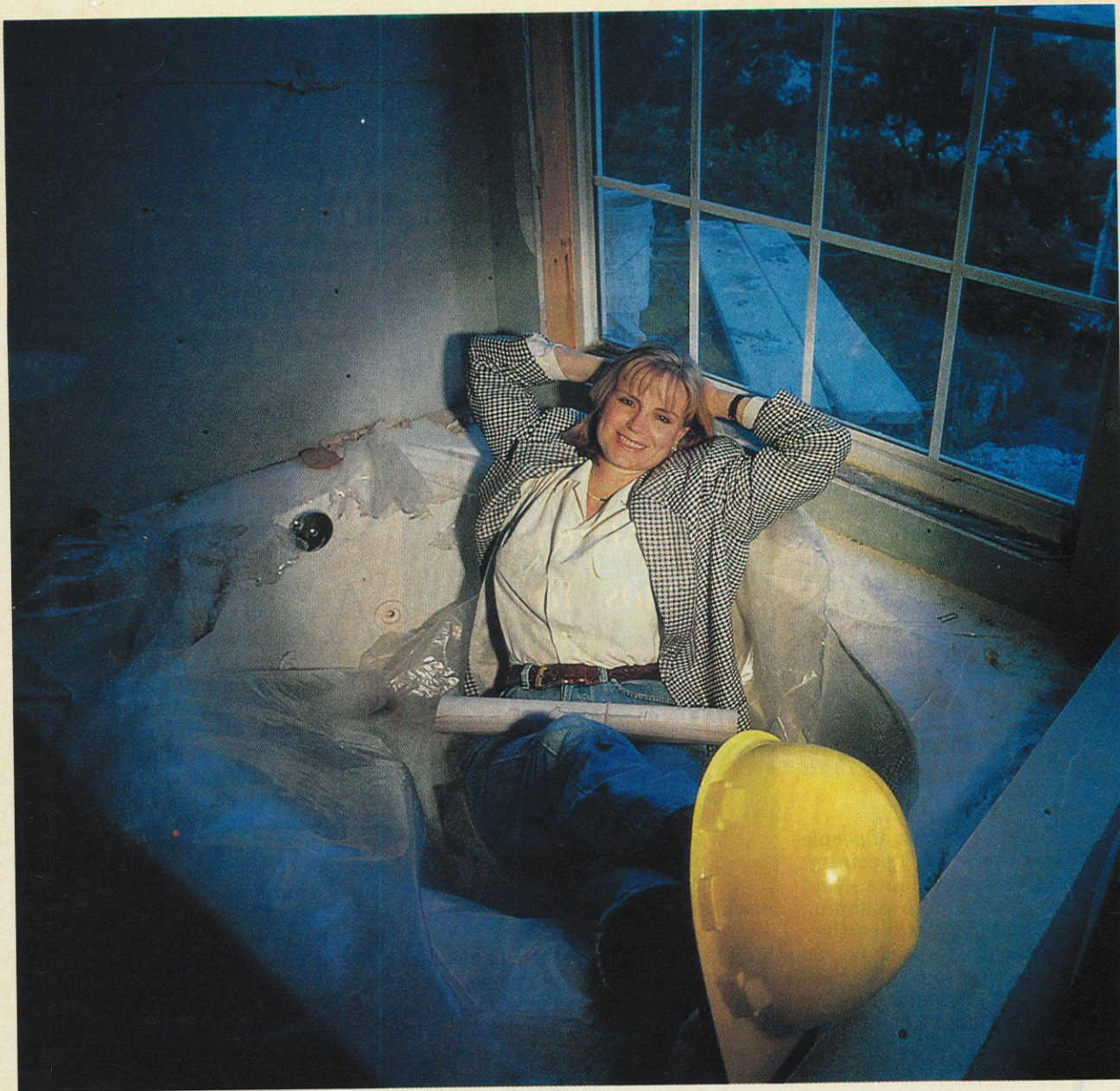
**Q** *How did you get into the home-building business?*

**A** I was in residential brokerage for seven years selling resale homes. When the market went bad in Texas in 1984 and '85, I went to work for a builder for a year. I didn't learn much about product line, but it gave me the idea (for my own business).

I had some money, and I wanted to do something on my own. I'm independent and energetic, so I bought a lot in Terrytown, the older part of Austin. There was this awful green house on the lot. The neighborhood was so excited when I tore it down. We kept the tub, but that was it. I built a house that looked like it fit into the neighborhood and didn't look new. We sold it before we poured the slab. I bought another lot and sold two more spec homes, then two more.

**Q** *Do you still build homes at that rate—one or two at a time?*

**A** No. My big break came when the RTC (Resolution Trust Corp.) wanted to sell 26 new lots in a close-in location. They were priced way too high for the market at the time. They were like \$70,000



ZIGY KALUZYNY

apiece. I pestered them for two years, and one day they said, "We'll sell them for \$20,000." I found an investor who bought them all, and for three years I bought them back from him. I went from doing onesie-twsie homes to really having a neighborhood where I could be the builder there and have a program.

**Q** *What was the time frame for all this?*

**A** This was six years, during which I developed my skills as a businesswoman, developed an eye for product and fine tuned my style, which is to build new houses with elements from older homes that make them charming. For example, everyone does 10-foot ceilings and hardwood floors, but I put in sun rooms, beaded-board cabinets, claw-foot bath tubs,

stained-glass windows, a phone niche in the upstairs hall and stair parts that don't look like stock stair parts. These elements give a home its character and warmth. All houses don't have to be 100% practical.

**Q** *Who are your buyers?*

**A** Most of our clients have lived in Austin and value being located closer in to the hub of the city. They've outgrown their two-bedroom, one-bath bungalows near downtown. They like city living close to the lakes, the theaters, the best restaurants.

**Q** *How big is your company?*

**A** Last year, I built 20 houses. Our dollar volume is about \$5 million. We have a secretary, a bookkeeper, a superintendent and a salesperson. We build custom homes. It's about 30% of our business. But spec homes are the bulk of our business. I would like to get bigger, but I'm never going to build 200 houses a year; maybe 50. It's easier to be bigger. There's just as much marketing with one house as with three.

**Q** *How do you handle design and how do you come up with ideas for floor plans?*

**A** It's like anything you want to be good at; it takes practice. The architect I work with comes three days a week and we practice. We look through architectural books, magazines and plan books. We find elements we want to incorporate into our houses. Once we find a theme for a house, we work from that. It's a process we have to work at consistently. Sometimes we get nowhere; other times we hit things we love.

**Q** *How do you go about finding lots or larger infill parcels?*

**A** I have a network of people who know my specialty: realtors, developers and engineers who do site planning for developers. Sometimes they call me if they're working on something and think I'd be interested. I also call them once a month or so and ask if anything is coming up. I still drive around, and if I find something I'll call the developer.

**Q** *How do you get financing?*

**A** Especially when money sources were tighter, I was constantly prospecting for new interim (construction) sources. I would contact banks, go and interview with them, show them my financial statements, my business plan and my tax statements. I would do that about 10 times a year because I was worried my financier might not be around. It took two or three years to prospect a bank that would work well with me. Some banks are just not interested in doing interim financing. Now I use a small, locally owned bank that has a fairly small loan limit.

**Q** *Where do you spend a typical workday—on the site or in the office? How often do you visit your sites?*

**A** I spend most of my day in the office. I'm a very regimented person. Every Wednesday, I check my job sites. I might visit more often if there is a problem or something needs attention. In the office, I do administrative work like talking to bankers, working with the bookkeeper, coordinating construction meetings, meeting with salespeople, the secretary, the architect. I do some selling and some design work.

Our office is in our model. Here I can demonstrate our product, meet customers and have a place for personnel. People feel comfortable talking about business sitting in a house. It's bright, cheery, convenient and easy to get to. One drawback is that I have to move fairly regularly, but that keeps me focused because I have to build something new and fresh.

**Q** *Have you taken any steps to establish a quality program for your company?*

**A** We have quality meetings at our job sites about once every other month, and we rotate the focus each time. For example, one month we'll ask the architect, the framer and the mechanical contractors to talk about how their jobs relate. At these meetings I can say, "Mr. Architect, you didn't leave me any HVAC chases, so now I have to eat up somebody's closet and they're going to freak out." Or the HVAC contractor can say, "Mr. Electrician, you put a canned light where my vent needs to go." These meetings help us see how these people relate so that in

the end we have a better product.

The most important thing to do to control quality on the job and in the office is to be organized. Being organized reduces the mistakes and the construction chaos. You're dealing with lots of people and lots of elements in every house. I have written systems and procedures for all aspects of things that we do in our work—from ordering windows and adjusting lights to telling the cleaning crew how I want our models cleaned.

**Q** *Where does your husband fit into the company?*

**A** Mike and I are both owners, but I am the heart and soul of the company, just as a woman is the heart and soul of a family. A woman gives a company its warmth, its style, its organization—like a traditional family. I keep it together and keep it running. I get the subs to the job site the way a mother gets the kids to school.

I call Mike the ambassador. He's very gracious. When a customer or a sub gets mad, he talks to them. He's the figurehead. People can't believe I'm a builder, so they talk to Mike.

*'Being organized reduces the mistakes and the construction chaos. You're dealing with lots of people and lots of elements in every house.'*