SUPPLY CHAIN CHALLENGES, DEMLANG SOLUTIONS



How Demlang Solves Home Construction Shortages and Delays

Product shortages, backorders, and other supply chain issues continue to create trouble in the home construction industry (and virtually every other industry). In a <u>recent blog post</u>, we detailed the many factors contributing to the ongoing supply chain disruption. Although these may affect the build timeline of your new home, Demlang is using our problem-solving expertise to get you into your home as soon as possible. Here's how Demlang Builders is combatting ongoing supply chain challenges by implementing creative solutions.

Challenge: Long Lead Times. Solution: Ordering Building Supplies Early.

Right now, some products and supplies simply take a long time to get to their destination. You'll be able to get what you want, but it could take weeks (or even months) beyond what you'd expect. One bathtub option that we offer to homeowners takes upwards of 6 months to arrive! When the product you're waiting for is a nice-to-have piece like furniture or a lamp, the timeline isn't a major issue. However, there are some delayed products that are more problematic, like windows. Due to a glass shortage, windows currently take 12-15 weeks to arrive–nearly three times the pre-pandemic lead time. If your windows aren't in place, construction is delayed and interior work is on hold until we can make your home weather-tight from the elements.

At Demlang, we've started ordering critical supplies as soon as feasibly possible. That might mean selecting your windows, cabinets, and other important items immediately after signing your contract. This will keep your home build moving along as predictably as we can manage. Our selections coordinators are constantly on top of product lead times and ordering challenges. They will guide you through this process and help you make decisions swiftly so as not to slow down the build timeline. Keep in mind, however, early ordering of things like windows



means that some changes to the design or floor plans are not possible. That's why it is important to work with our team throughout the sales, bidding, and contract process to ensure you have the perfect plans to start!

Challenge: Hard-to-find Products. Solution: Clever Substitutions.

Unfortunately, some items are nearly impossible to come by. Many suppliers have limited their range of product options to keep up with production. Availability has changed even in the past few months since we launched our Harper Parade of Homes model, which features some Kohler bathroom fixtures that are now unavailable. In some cases, material costs have risen so high that a finish or fixture you had your eye on may not fit your budget anymore.

So what does Demlang do about the missing or delayed products? One line of defense is to substitute a different product for the one you originally wanted. A little flexibility can go a long way toward getting your home completed on time. We may not be able to get the exact model of fancy shower head that you had hoped for, but we'll help you select a different shower head that you'll love just as much. Dark exterior stone is hard to come by, so we've switched to lighter color palettes that give you a variety of attractive options. We have adjusted the products we will show you in our Design Gallery to what we are more confident is available, helping to choose fixtures and finishes that are more likely to be in stock. And we continue to monitor product line availability to provide you with smart product substitutions that will still make your new home dreams a reality.

Challenge: Missing Nonessential Supplies. Solution: Temporary Options.

When it comes to completing your home, we are focusing on must-have materials to move in like flooring and cabinetry. In this environment of supply chain issues, our primary focus is making sure your home is substantially complete, meaning it passes all inspections and is functional and safe to occupy. That way, we can get you moved in sooner and come back after you've closed on your new home to finish any things that were delayed due to material shortages. When delivery times are long for items that aren't mission-critical, it's better for the construction process to move on without them.

Our team actively seeks out stopgap solutions that will help you pass occupancy and get you moved into your new home. For example, you might have a temporary front door, a temporary refrigerator, or some missing millwork that will be less than picture-perfect on move-in day, but your home will be complete and ready for you to occupy. Then, when the product does come in, our team will return and install the missing pieces and swap out temporary fixtures for the real deal. There are added costs associated with coming back that we're absorbing as a cost of doing business, but it's important that we get you moved into your new home as soon as possible so you can avoid the added rent, storage fees, and life disruption that comes with a big move!

Challenge: Unexpected Delays. Solution: Expert Project Management Techniques.

When products don't arrive on time and skilled labor is in short supply, project timelines get derailed. It's difficult to schedule contractors until we're sure the materials they need will be at the job site waiting for them. One delayed task can affect others further down the road, which is why your build timeline and expected completion date may change several times over the course of construction. A new home build used to take about 5-6 months; now, 9-10 months is a more realistic expectation.

Demlang's project managers are some of the best in the business, and they're proving it now. We're employing advanced scheduling and operational practices like you'd see on a world-class factory floor. That includes just-in-time production and analyzing the project schedule's critical path to eliminate bottlenecks and put resources and efforts where they need to be at each moment. From your perspective as the



homeowner, it might seem like a stop and start process, but rest assured that each tweak to the project schedule is designed to get your home built as efficiently as possible. You'll stay informed of any developments in your project schedule through regular, proactive communication from your project manager and through updates in BuilderTrend, our cloud-based project management software.

Work With a Builder That Solves Supply Chain Challenges

The entire home construction industry is dealing with delays and shortages, but the Demlang team is dedicated and persistent in our goal to get your home completed and your family moved in. With our problem-solving expertise and a little flexibility, you'll be in your new home before you know it.

Meet with one of our New Construction Specialists to start your new home building journey today!