



K. Hovnanian Homes

As a successful builder of more than 500 homes every year, K. Hovnanian Homes' Canton Ohio Division needed a more practical, efficient way to assemble and deliver important closing documents, manage homeowner warranty requests, and deal with a diverse range of post-construction calls and questions. AxisPointe helped the Canton Division create a simple, effective, and elegant solution for solving all of these tough post-construction challenges.

OVERVIEW

Canton's Division of K. Hovnanian Homes builds between 500 and 800 single-family homes every year. With a rich 50-year history, Canton's Division has earned a solid reputation as an efficient, top-quality homebuilder in Ohio.

THE CHALLENGE

Canton Division has long struggled with the high costs and extensive effort required to put together complete, effective closing packages that include all the information homeowners need to know about their homes—from the color of the siding to the SKU of the hot water tank.

"I can't tell you how many times I have gotten calls from someone we built a home for five years ago asking for a subcontractor's name or the warranty expiration date on their furnace," says Terry Thomas, Director of Quality, Home Services and Scheduling. "I just got a call from someone we built a house for a number of years ago. He was calling to ask me the siding color of his home. We keep good records, but it takes time to look that stuff up. Lots of time."

Thomas also recognized that there were other pieces of information Canton Division needed to provide beyond warranties and siding colors, including sales contracts, closing documents, and other information about the home that was totally unrelated to warranty issues.

"We wanted to drive down post-closing phone calls by providing crucial information to the buyer in one source," Thomas explained. "I never actually tracked the costs we were incurring to find information for our buyers, but I surely agree with the NAHB figure that is costs more

than \$300 per call to service a post-closing request, to say nothing of the potential cost to our reputation from a potentially bad referral."

To address these challenges, Canton Division needed a solution that would enable them to:

- Simplify and improve warranty and closing document management processes.
- Reduce post-closing warranty and maintenance call volume.
- Provide homeowners with secure online access to home-specific information.

THE AXISPOINTE SOLUTION: HOMEPROFILE



After looking at a variety of options for improving its warranty management and document management processes, Canton Division chose AxisPointe as its strategic warranty and document management partner.

AxisPointe is the creator of HomeProfile, an outsourced service that makes it easy to create attractive closing packets that include specific warranty, "use and care," subcontractor, and home information. With HomeProfile, homebuilders can login to a convenient online system, pull relevant information from the world's most comprehensive database of manufacturer information, add other documents that are relevant to the home or subdivision, and assemble all these materials into complete, organized homeowner manuals. Homebuilders can make these finished manuals

ABOUT K. HOVNANIAN HOMES

One of the few "scattered site" builders in the K. Hovnanian Homes family, Canton Division has successfully been in business for 50 years. In region after region, K. Hovnanian Homes has sought out only those homebuilders that have a record of achievement, efficiency, and growth, and Canton Division of Canton, Ohio -- a K. Hovnanian Homes division for the last four years -- is a case study in excellence. Canton Division builds between 500 and 800 homes per year. Canton Division typically average around 2,000 square feet and range in price from \$125,000 to \$300,000; every house can be customized beyond the standard options package, right down to one-off faucet or fixture upgrades. (www.summithomes.com)

available to homeowners in three different ways: In a personalized, presentation-grade leather or vinyl binder, on an all-inclusive companion CD-ROM, and through a private online account. Crucial information about every home remains available online for a period of ten years after closing.

“At closing, we provide the home buyer with the AxisPointe HomeProfile package and a set of keys. It's all very professional, complete, and it saves us a great deal of money and time.” **TERRY THOMAS**
Director of Quality, Home Services & Scheduling, Khov Homes

Creating an immediate reduction in call volumes

When Canton Division started presenting HomeProfile closing packages and online accounts to homebuyers at closing, they immediately saw a difference in post-close warranty and maintenance call volume. “I can't tell you how many calls we used to get just about smoke alarms,” says Thomas. “It was our most common post-closing call, by far. Now those calls are near zero, because homeowners have a reference book to describe every beep and blink. It's saved us a small fortune.”

“Even for items that are our responsibility, we are finding that home buyer will call the manufacturer directly instead, because that's the direction they are taken when reviewing information in the HomeProfile binder,” notes Thomas. “That's another huge savings for us.”

Saving money through more efficient warranty management processes

HomeProfile has simplified and improved Canton Division's warranty and document management processes to the point where one person, working part time, can assemble and create closing binders for every Canton Division closing. “During construction, we establish a ‘digital folder’ for each house, and we continually pull information from our purchasing process and from our contractors, such as SKUs, serial numbers, siding colors. We put that in the digital folder specific to that home,” says Thomas. “When the home moves toward closing, we open the folder and send the

crucial data to AxisPointe. They customize the binder, burn the CD, set up the website, and fulfill the binder-- all branded Canton Division-- to our target destination. All in under 10 days, without fail.

“AxisPointe has an archive of all the warranty documents, so we don't even have to dig for those. We basically send over a list of what is in the house, and they do the rest. We even depend on AxisPointe to include in our HomeProfile package any other crucial document for closing, like the home owner association's covenants or community information and legal addenda. At closing, we provide the home buyer with the AxisPointe HomeProfile package and a set of keys. It's all very professional, complete, and it saves us a great deal of money and time.”

“Actual savings? At the very least, it's \$300 a home for the time it takes for us to assemble and print the binder, to say nothing of the costs we avoid in processes requests and queries about the home,” said Thomas. “I'd recommend the service to anyone.”

THE RESULTS

HomeProfile has enabled Canton Division to dramatically improve the efficiency and effectiveness of its post-construction warranty and document management services. With HomeProfile, Canton Division has:

- Automated warranty and document management to the point where just one person, working part time, can manage information and create closing binders for all Canton Division closings.
- Dramatically reduced the number of post-closing warranty and maintenance phone calls by providing crucial information to homebuyers in one convenient, accessible location.
- Made it easy and convenient for Canton Division customers to obtain all the crucial information about their home online for a period of ten years after closing.

ABOUT AXISPOINTE

AxisPointe offers turnkey, outsourced post-construction services for residential home builders and multi-family housing developers. With special expertise in sectors where builders and developers have the highest legal exposure and greatest risk to their reputations (warranty management, call-back processing, and subcontractor insurance certification), AxisPointe offers HomeProfile, BuilderCertified, and BuilderOnCall within its SmartBuilder Suite. All three services offer remarkably affordable outsourced, time-saving solutions to a builder and developer's most pesky problems: call backs, document tracking, and post-construction customer management. Visit www.AxisPointe.com to learn more.