

Who is the Trillion Dollar Woman?

Remember Lee Majors, the all-powerful, unstoppable *Six Million Dollar Man*? He was the government's most-prized secret agent for two reasons: (1) his body cost the government six million dollars to surgically repair, so he was literally worth millions to them (especially in the 1970s—imagine what Lee Majors would be worth today); and (2) he had bionic organs, arms, and legs, so his strength, speed, and vision far exceeded normal human ranges. Not to mention, he used his superhuman powers to further the interests of good and combat evil.

Increasingly, women consumers are to the residential construction industry what the *Six Million Dollar Man* was to the government—precious and valued. Why? I'd love to say it's because of our scintillating personalities or fun-loving spirits, but this is business. Like Lee Majors, women are precious and valuable to home builders and remodelers because their decisions are worth so much. However, I'm not talking a mere six million dollars, or even a billion dollars, but literally trillions of dollars in home building and remodeling transactions are controlled by female decision makers.



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The True Power of the Purse

According to a 2006 Joint Center for Housing Studies Harvard University study, *Buying for Themselves: An Analysis of Unmarried Female Home Buyers*, single women are buying homes at an incredible rate. In fact, 22% of homes sold in 2004 were sold to single women (Price tag: \$550 billion), versus only 9% to single men. These numbers spike even higher for condos and townhomes, 30% of which are bought by single women.

But here's the real kicker—9 times out of 10, even in transactions where a single (unmarried) woman is not the home buyer, a single (individual) woman is the primary breadwinner and/or decision maker when it comes to building or remodeling decisions. Get a load of these mind-blowing numbers:

- Women make or direct 91% of home buying decisions. (Price tag: about \$2 trillion)
- Women make 75% of the decisions about new homes. (Price tag: at least \$250 billion)
- Women initiate 80% of all home improvement purchasing decisions, especially when it comes to big ticket orders such as kitchen cabinets, flooring, and bathroom overhauls.
- Women represent 51% of consumers that usually hire professionals for home improvement and remodeling projects. (Price tag: at least \$100 billion)
- Women purchase 94% of home furnishings.

This data is not simply indicative of women spending their husbands' money. The vastness of these women-as-decision-maker numbers reflects an aggregation of three groups of some non-wage-earning women making purchasing decisions for their households with much larger numbers of (a) single women spending money that is all their own, (b) working, married women, and (c) stay-at-home moms who are the primary purchasing agents and decision makers in their households. Increasingly, even married women are bringing home more than their share of the bacon. In fact, according to the AFL-CIO's 2004 *Ask a Working Woman Survey* most working women contribute half or more of their household's income.



Virtually all of this data came out between 2004 and 2006. The male-dominated residential construction industry is taking notice of the fact that its most valuable customer—in terms of who decides where and how the housing and remodeling dollars are spent—is not the stereotypical male head of household, but rather, it is his single sister, his widowed mother, or even his wife! David Walentas, a Brooklyn, New York-based condominium developer, was surprised when he sold a third of his building's units to single women—\$30 million worth of units, compared with the meager \$19 million purchased by single men and \$45 million sold to married couples. But what really stunned Walentas was the discovery of how many married women were writing the \$60,000–\$100,000 deposit checks.

So, you see, the term *power of the purse* has never been more appropriate. If I applied a corporate structure to the household, women would be the purchasing agent (and sometimes also the CEO and/or the sole proprietor). This truth is not limited to the realm of real estate, construction, or home remodeling. According to The Business and Professional Women's Foundation, in 2001 it was estimated that American women's collective purchasing power constituted the third largest market in the world, with a collective buying power exceeding the entire economy of Japan.

Clearly, every woman wields the power of the purse to a greater or lesser extent in every area of her life. But it takes more than just being a woman who spends money to be a trillion dollar woman. A true trillion dollar woman is one who

- knows her power, but wants to wield it wisely, for the good of her lifestyle and that of her family or housemates;
- knows the difference between delegation (assigning tasks to others skilled at those tasks, but retaining responsibility for their direction and supervision) and abdication (completely relinquishing all responsibility to someone else), and chooses to delegate, not abdicate, her construction and remodeling

“It’s the woman’s check. It’s not like a dual account—Joe and Suzy. It’s just Suzy. I’m amazed.”

DAVID WALENTAS, DEVELOPER



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projects to skilled builders and contractors (according to a 2005 Lowe's study, 40% list the kitchen as the space where they would hire a contractor, compared to 32% who would use a professional for the bathroom);

- takes and retains ultimate responsibility for the success of her project;
- knows that knowledge is power, and the root of the wise decision making she'll need to do to pull off a successful project, exercise her power wisely, and delegate without being taken advantage of; and, accordingly;
- makes superhuman efforts to gain this knowledge.

Okay, so maybe superhuman efforts is an overstatement. But the trillion dollar woman does put some effort into educating herself before she takes on a home building or remodeling project. Like you, she researches her options, examines her lifestyle needs, and learns about the process by, for example, reading books like this one!

QUIZ So, are you a trillion dollar woman?

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|---|------|-------|
| 1. You spend your free time visiting model homes—even when you're not in the market for a house. | True | False |
| 2. Two out of three of your favorite television shows are HGTV shows. | True | False |
| 3. You prefer <i>Architectural Digest</i> to <i>Vanity Fair</i> . | True | False |
| 4. Your one-named heroes include Oprah, Ty, and Nate. | True | False |
| 5. You think do-it-yourself is great for small projects, but outsourcing is the way to go when it's time to build or remodel your home. | True | False |
| 6. You are in the market to purchase a new home or are thinking about remodeling an existing home. | True | False |
| 7. You want information that will help execute your project with ease and success. | True | False |



If you answered true to at least five of the questions, congratulations—you are a trillion dollar woman, and this book was written just for you.

Decisions, Decisions, Decisions: New Home or Existing Home?

The first step along the path to building a new home is to decide whether to buy a new home or an existing (or resale) home. There are definitely “new home” trillion dollar women and “old house” trillion dollar women, but unless you identify strongly as one or the other, you have several factors to consider.

Buying new vs. existing: pros, cons, and other stuff to consider

New Homes	Existing (Resale) Homes
You can choose your lot, location, décor, floor plan, and exterior design	You inherit the lot, location, décor, floor plan, and exterior design, but can customize it later at your expense
New, modern, shiny, bright, clean, and never lived in	Older, may have charming features of former eras of construction, lived in
Likely located in a new neighborhood or subdivision, without mature landscaping and sometimes with special taxes for emergency services and schools	Established neighborhoods feature established character, schools with proven track records, and mature landscaping
Neighborhoods are often located further distance from city center, jobs, causing a greater commute expense	Some established neighborhoods will be nearer to city center and workplaces
Typically more energy efficient, due to technological advances in insulation, appliances, and climate control systems, resulting in lower utility bills	Older homes may have drafts, leaks and old heating and cooling systems
10-year builder warranty (on average, specifics depend on builder and state) included in purchase price	No real warranty included in price, but a home warranty can be purchased for about \$300/year

(continued)



Buying new vs. existing: pros, cons, and other stuff to consider (*continued*)

New Homes	Existing (Resale) Homes
Lot sizes are typically smaller (single family residences)	Lot sizes are typically larger (single family residences)
Landscaping may not be included in purchase price	Landscaping is generally already installed and may be mature
Maintenance costs should be lower, as everything is new	Maintenance costs depend on maintenance history, age of home, and age of components
Modern construction techniques feature advances in fire and electrical safety, and resistance to natural hazards	Depending on age, may (or may not) feature the solid construction and old-growth materials used in old-world craftsmanship
Must wait until construction is complete to move in	Immediate move in (usually)
Planned communities may have restrictions on parking, landscaping, and exterior paint color selection	Every resident in your neighborhood can paint their home whatever color they want (good or bad) and park anywhere it is legal
Home has not settled, so problems may occur in coming years	Home has already settled, so problems may be easier to detect

After considering the pros and cons, if you still can't decide between new and resale, you might need to consider an in-between option that will allow you to have the best of both worlds.

Even with all these considerations, you may not have a clear decision on whether your next home should be new or resale. Many women start the process by looking at both existing home and new home communities and develop a clear preference as their house hunt progresses. Remember, your ultimate goal is not just to pick new versus existing, but to acquire a home that makes life better for you and your family.

Setting Your Building or Remodeling Project Up for Success: It's All in Your Head

Although Legos and Erector sets might not be as popular as Barbie and Bratz dolls among little girls, as a species women are highly inclined



The best of both worlds: new and existing homes

If you want . . .	But you also want . . .	You might consider . . .
A new home	To move in immediately, and you don't need to pick every tile or paint color yourself	An immediate delivery home. Builders/developers often construct a few unsold homes to finish out a mostly sold subdivision or to serve as model homes
A new home	A larger than usual lot, a completely unique home, a home in an older neighborhood, or one that has very unusual custom features (e.g., a mother-in-law cottage)	Building a custom home as opposed to a production home
A charming older home in an established neighborhood with mature landscaping or in a highly ranked school district	A modern kitchen and bathrooms, energy efficient home systems, and a large lot or other custom features	Buying and remodeling an existing home

toward creation and transformation. How else could we explain our penchant for giving birth and watching TLC's *Trading Spaces*, despite the pain involved in both experiences?

For us, perhaps the purest opportunities to create and transform arise during home building and remodeling. Unfortunately, with all the other stuff on our plates—our careers and businesses, parenting responsibilities, managing our wellness and relationships, and all that stinking hair removal—the process of building or remodeling itself can seem less than fun and more like a drawn-out, tedious process, a necessary evil on the road to the golden grail of your dream home. A road seemingly riddled with bandits, speed bumps, and potholes at that!

As an industry insider, I'll be the very last to suggest that the dangers of unscrupulous builders, slimy salespeople, and construction defects are all in your head. But as a real estate broker and attorney who has coached thousands of women into their dream homes, I can tell you



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that a successful home building or remodeling experience is all in your head. That's where it starts, anyway. Let me explain.

Defining Success

For many of our intrepid foremothers who braved the wilds of building or remodeling before this book was written, success at the endeavor started out defined as their vision made manifest—their fantasy of granite counters and Jacuzzi tubs converted into gleaming, tangible reality. Six months later, many of these ladies' definitions of success had gradually devolved into, well, simple completion.

Workers gone + running water + no more dumpsters = success

I'd like to elevate the concept of a successful building or remodeling project. I submit that the end result of a successful build or remodel is

- a home that makes your life easier and more beautiful,
- in ways that matter to you and your family, and
- culminates a building or remodeling process during which you felt respected, educated, and powerful.

Sound good? Let me tell you how to achieve it. As you read (and work) through this book, you'll be setting yourself up for success as you add layer upon layer of powerful knowledge, ultimately building a structure that mirrors that of a home (a one-room cabin, really, but you get the idea):

Pour the foundation: your mindset

By mindset I don't mean just a can-do attitude; rah! rah! rah!; you go girl!; that sort of thing. I'm talking about a clear understanding of what it takes to get your project completed successfully. You should be clear about your wants, needs, priorities, lifestyle (current and future), resources, and options. Building or remodeling a home is a rare opportunity for you to create a house like no other home that exists on the planet—one that is designed specifically to suit the needs of you and your loved ones. A tailor can't work without measurements; likewise,



you can't tailor a custom environment for your life without being clear about your wants and needs.

Erect the four walls: the process, people, money, and design

After you've poured your foundation, the next step is to construct a framework of knowledge about

- **Process.** The steps you'll need to take on your path to building a new home or remodeling an existing home and what you can expect, sequentially (this information is targeted at helping you prepare in advance, preventing surprises and, thus, saving sanity).
- **People.** You need to understand the roles of the professionals with whom you'll interface through your build or remodel, from sales representatives to contractors to governmental permit authorities. You need to know what they do, who pays them to do it, and how to effectively manage and work with them to get it done.
- **Money.** There are various sources, types, and considerations involved in securing financing for your construction project. You need to understand how to select financing that makes sense for your personality and your family's finances and how to create and manage your project budget.
- **Design.** There are specific features and strategies you can use to explosively maximize the lifestyle-enhancing potential of your project, as well as design features and issues that matter to lots of trillion dollar women, including things you need to know about remodeling or building within a condo, townhome, or co-op unit and how to make your couture home eco-chic, using environmentally responsible strategies and materials.

Pitch the roof: knowledge-powered confidence

By this I don't mean a "get-out-of-my-way-and-hand-me-a-hammer-so-I-can-build-this-house-myself" sort of confidence. Nor do I mean that fake, blustery, know-it-all bravado some people feel the need to put on

when they deal with salespeople, which gets none of your questions answered and is very transparent, to boot! Nope—I'm talking about the calm, assured, mature confidence of a woman who knows

- that it's perfectly okay to ask questions;
- which questions to ask and how to interpret and apply the answers;
- how to express herself in the vocabulary of the pros she's working with;
- when and how to effectively, respectfully express when something isn't working, in a way that earns her respect; and
- things that should and shouldn't be deal-maker or deal-breaker.

Simply laying the roof on top of this house of knowledge by working through this book isn't the end of your journey of preparing for a successful home build or remodel the trillion dollar woman way. There are two additional books that every trillion dollar woman should study before their build or remodel project and reference during the process.

I recently authored *The Savvy Woman's Homebuying Handbook: 150 Insider Secrets, Decision-Making Guides and Online Resources, Plus the ONE Action Plan You Need* (Prosperity Way Press, 2007). This book goes even deeper into the mindset management tools and strategies that facilitate the transition from procrastinating would-be home buyer to home owner; delves into the basics of money, mortgages, and matching a mortgage with your lifestyle needs; and explores the intricacies of a home buying transaction step by step, including detailed tutorials on contracts, negotiations, escrow and closing, and even asset protection strategies. Throughout the book, the true stories of my real-life savvy women home buyer clients add some hilarity to the morality tales they underscore. This book is a must for trillion dollar women who are buying a new home from a builder or developer or buying an existing home that they plan to remodel.

The second must-have book is *Building Your Home: An Insider's Guide, Second Edition* by Carol Smith (BuilderBooks.com[®], 2005). *Building Your Home* drills down into the individual steps and phases of the home build-



ing process at an incredible level of detail. This book provides a potent dose of how-to for the complex endeavor of home building above and beyond the primer provided in this book, from deciding to build, to selecting your builder and your site, to creating your plan, to the actual sequence in which your home will be built and beyond! *Building Your Home* is conducive for use as your nuts-and-bolts reference during the entire process of, well, building your home!

This book, in contrast to the others, focuses on providing knowledge to feed the informational cravings specific to smart women who are in the position to make or influence building or remodeling decisions. Additionally, it redefines the concept of what a successful home build or remodel is—as we’ve already discussed—and provides mindset and decision-making tools to help transform your experience of the project from a tedious task to a rare opportunity to enhance your lifestyle on an incredible scale. In accordance with my mantra of lifestyle enhancement, this book presents a number of specific strategies, design considerations, and features and amenities for your new (or newly remodeled) home that will make your life easier, and your home more beautiful, efficient, and environmentally responsible—all things that are important to trillion dollar women, yourself included.

Why a Book Just for Women?

My life’s work arises out of the essential truth that women simply think about, shop for, and make major decisions about their homes differently than men. And because women comprise such a huge chunk of the real decision makers when it comes to building and remodeling homes, I felt that the trillion dollar woman deserved a new home building and remodeling survival guide of her own. One that is custom tailored to her thought and decision-making processes, providing knowledge organized in the same way her brain works through the issues which arise while having a new home built or having an existing home remodeled, and specifically answering the specific concerns many women express.

A detailed how-to guide is critical to success, but it’s not enough for the trillion dollar woman. Beyond how-to, she also craves a book



Trillion Dollar Tip #1

Home couture: custom or production?

In fashion, *haute couture* refers to the creation of exclusive, custom-fitted clothes of expensive fabrics. *Haute couture* is always made to order for a specific customer.

Similarly, custom homes are built to order from a unique design created specifically for a particular home buyer. Custom home builders tend to specialize in the construction of homes that are almost always luxury or high-end single-family homes, which are built on lots that belong to the home buyer. In urban or established neighborhoods, individuals desiring custom homes must often purchase an older home on a desirable lot, level it, and have a new home built on the site.

Production homes, however, comprise the vast majority of new homes that are built and purchased nationwide. Often referred to as tract homes, homes in subdivisions, or semi-customs, production homes are generally constructed by builders/developers who own the lots they build on. Production home communities normally offer a number of standard building plans, exterior looks (or elevations), and upgrade options. Production homes can be condos, townhomes, or single-family homes that range from inexpensive entry-level homes to high-end luxury homes.

Most of the information in this book is tailored for trillion dollar women who are buying production homes. The trillion dollar woman who wants to build a custom home should also read *Building Your Home: An Insider's Guide, Second Edition*.

that will tell her what to expect—this is absolutely the most effective freak-out prevention strategy, and before she gets to either how-to or what to expect, mindset management is a critical first step. Mindset management deals with how you think about this project and the role it plays in your life. Mindset management is about paradigms and perspectives, not nails and sheet rock.



This book has a number of additional features, which are driven by the results of my research into the neuropsychology underlying how women think through their home building and remodeling decisions:

Unbiased and not driven by a commission

According to a 2004 Sears Roebuck and Company *Her Home* survey, 94% of women are concerned about getting a fair price from construction professionals. Women also believe that good home repair professionals are harder to find than good doctors, financial planners, or real estate agents. You can rest assured that the information in this book is not motivated by a commission. My goal in writing this book is to educate you. I'm not trying to sell you anything!

Advisory

Women may be closing the wage gap, but the information gap is steadily widening. Many women are still at an informational disadvantage when it comes to understanding construction basics. (What is that about, anyway? Does every guy spend a summer working in construction during college or something? Or do they teach it in boys' gym class on rainy days? I digress...) This information gap causes many women to approach their projects warily and with a lot of concern that they might be taken advantage of by builders, salespeople, contractors, etc. The *Her Home* survey found that 63% of women believed they were charged more than men for the same work. The survey also found that 3 out of 5 women home owners said they'd rather get an hour of free advice from Bob Vila than from Dr. Phil. Accordingly, the knowledge solutions in this book are organized from the perspective of your personal advisor on issues that repeatedly come up for trillion dollar women and to generate clarity and diminish fear, so that you can boldly manage your hired professionals—instead of them managing you!

360° perspective on life

Women don't think about a home in isolation from the rest of their life. Rather, women tend to take a very holistic view, considering how each and every feature or amenity or downside of a home will impact every



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other area of their lives. Therefore, I will treat the topic of your home as inextricably intertwined with the rest of your life and will highlight less-than-obvious implications of home specifics.

Lifestyle enhancement

The goal of this entire home building or remodeling endeavor should be to make your life easier, better, and more beautiful. As the process unfolds, it will be easy to forget these overarching goals as you get bogged down in the minutiae of selecting tile and doing walkthroughs. My goal is to help keep you mindful of and accountable to your lifestyle enhancement aims as your building project moves toward the finish line!

The first step toward creating this momentum in your new home purchase or remodeling project and in your life is mindset management. Let's get started!