



CORNERSTONE CONSTRUCTION MANAGEMENT

Advantages of Construction Management

- ◆ **Design and architectural costs are consistently lower.** Cornerstone can become involved with the design process. We aid in the design phase by helping to establish the most cost-effective type of construction to serve your needs. And we assist the owner selecting architectural and engineering firms. Working with a Construction Manager greatly reduces the costs attributed to these services. The time that would be spent in the design portion of the project by our firm is not charged to the owner. The owner will only be charged for the following: the architectural firm's hourly rate, general expenses (such as copies, miscellaneous fees, etc.), and the percentage marked up as agreed upon between the Construction Manager and the owner.
- ◆ **The owner is actively involved throughout the bidding and construction of the project.** After construction documents are completed, they will be distributed to the subcontractors for pricing. The Construction Manager reviews them and presents them to the owner for review. We will recommend subcontractors who are best qualified to perform the work. We will work with the owner to secure the most capable subcontractor.
- ◆ **Better chance of entering into a "cost plus not to exceed" contract with some of the subcontractors.** If the subcontractor agrees to this basis, they are agreeing to perform their work based on their original proposal. If they are able to complete their work in less time than originally anticipated, the overall cost is lowered with this savings being passed directly to the owner. Please note that this does not apply to any change orders during the construction process; however, it does provide the opportunity for potential cost savings that will offset any additional work.
- ◆ **The Construction Management approach reduces the percentage rate of the overall mark up.** This approach, in comparison to a hard bid situation, decreases *some* of the risk to a general contractor. Because the risk is somewhat less, the Construction Manager can offer the owner a lower overall mark up rate. However, Construction Management does not remove *all* risk associated with the project.
- ◆ **Project time saved.** Time is saved with a Construction Manager because work can begin before the design is completed. In addition to an early start, a Construction Manager works to minimize change orders. By maintaining close, on-going communications with the project team members, change orders are at a minimum. This not only saves untimely delays but keeps extra costs down.
- ◆ **Efficiency of a Construction Manager.** Employing a Construction Manager takes a lot of the responsibilities off of the owner. Cornerstone as the Construction Manager, would control the scope of work, schedule work for the project, use advanced system and computer methods for project status, reporting and billing.
- ◆ **Overall costs reduced.** The owner can look to Cornerstone to minimize overall costs by: early cost estimates, minimizing architectural and engineering fees, using efficient construction techniques, material selection and optimal use of the funds.