

RD

RESIDENTIAL DESIGN

FOR ARCHITECTS AND BUILDERS
OF DISTINCTIVE HOMES

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The Forever House

Photo: Chase Daniel



Shoberg Homes built A Parallel Architecture's 2023 Residential Design Architecture Award-winning Rollingwood Residence in West Lake Hills, Texas.

Photo: Courtesy Shoberg Homes



Matt Shoberg, president of Shoberg Homes, "dreams big."

Austin Outfitters

SHOBERG HOMES
AUSTIN, TEXAS

With its growing portfolio of high-end houses in and around Austin, Shoberg Homes has established itself as one of the city's foremost custom builders. The company's tagline, "Dream Big," embodies a business philosophy that has enabled it to compete in Austin's hot homebuilding market. Driven by the confluence of the energy, technology, and health care sectors, Texas has long been a leader in U.S. housing starts. Austin currently ranks fifth in the nation for residential real estate construction, with permits issued for more than 37,000 units over the past 10 years.

President Matt Shoberg and his wife and CFO, Paige Shoberg, have been part of this business landscape for nearly twice as long. Now 40-some employees strong, they have a firm

Photos: Casey Dunn



Built by Shoberg Homes, A Parallel Architecture's West Lynn Residence in Austin restores a traditional Georgian-style house and marries it with a contemporary new addition.

hold on the luxury home market that has skyrocketed in the last five years. At any one time, the company is working on seven to 10 residential projects with budgets ranging from \$7 million to \$20 million. And although Matt describes himself as a “high D”—a visionary who operates “at 30 to 50 thousand feet at my best”—that volume still allows him to manage each client relationship, at least from a bird’s-eye view. “We don’t want to be a faceless company; I want all my clients to know I’m available,” he says. Extending that mindset, Shoberg Homes’ success is partly due to a vertical integration strategy that allows it to control many elements of the construction process - a winning play in an

industry where less-nimble builders often oversell themselves because the demand is there.

The trajectory has been slow and steady. Matt began purchasing and renovating rental real estate for his own portfolio in 2003 while living in Lubbock, Texas. The following year he graduated from Texas Tech University with a degree in construction engineering and did a brief stint in commercial construction, followed in 2005 by a move to Austin, where he continued to buy and renovate houses. Paige, an Austin native, is a pro in her own right, having grown up in a construction family spanning three generations. By 2007, “we decided to give it a go on our own,” Matt says. That year they built and

sold their first luxury spec house near the Austin Country Club, which caught the attention of a client who hired them to build a new home. “We introduced him to an architect we knew through a small network we had at the time, Jim LaRue,” says Matt, who was then 27. “He designed an amazing home that made the 2010 AIA tour. About 3,000 people came through, mostly in the architecture community. It was a big springboard for us, introducing us as a young, energetic builder.”

It was an inauspicious time to start a construction company, on the cusp of the 2008 housing crash. But the couple slowly began to form relationships with prominent architecture firms such as Lake Flato, Alterstudio, A Parallel Architecture, and others. As the economy recovered, business began to grow. Over the next five years they took on one or two custom homes at a time, with Matt handling construction and Paige keeping the books, managing finances, and doing some interior design. In 2011 they hired their first project manager, and then more field personnel. Doug Tumlin joined them in 2017 and soon rose to vice president of operations. And in 2019, Scott Griffin was hired as a production manager. Having trained as an architect and run his own design/build firm for 18 years, working in Houston’s gated communities, he was quickly promoted to vice president of construction.

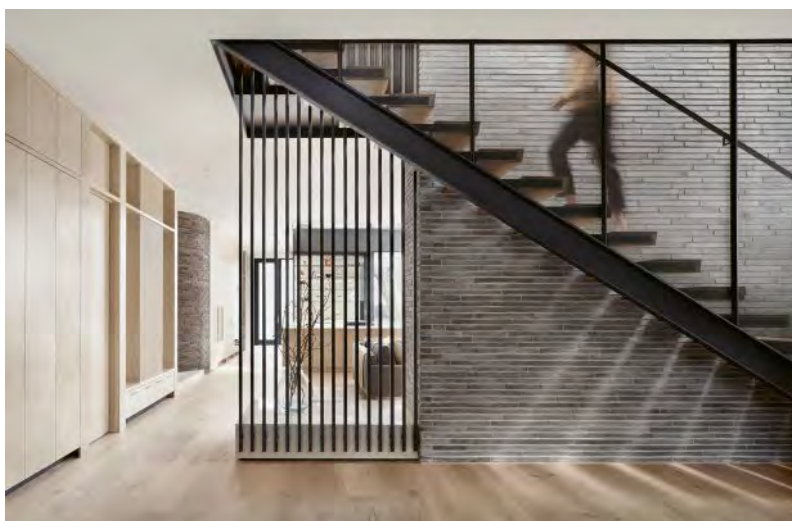
Deep Dive

And so, by 2018, with two executives providing solid management support, Shoberg Homes was positioned to grow exponentially in tandem with market demands. Indeed, the abundant opportunities mean that most of their projects are within a 5-mile radius of the office, except for a concentration of custom houses in the Driftwood Golf & Ranch Club community about 20 miles south. “Except for continuing to service Driftwood, we have no aspirations to grow outside of Austin,” Matt says.

In addition to expanding the revenue stream, the Service & Maintenance division, launched in 2020, allows them to keep client relationships going. “It’s a differentiator as well,” Matt says. “People like the person who built the house to be involved in its upkeep, and we benefit from the relationship because they let us show their home to potential clients or architects, even from 10 years ago.” A dedicated service manager has the company’s labor force at his disposal. “Because we have 11 carpenters, he can take two or three without



Photos: Casey Dunn



The client for the Rollingwood Residence requested a 7,000-square-foot house, a three-car garage, and front and back yards—all on less than half an acre. Shoberg Homes managed it all with a high level of care and craft.



Completed in 2022, the Pickwick Residence was designed by the 35-year-old firm LaRue Architects.

affecting production,” Matt says. “He also works with our subcontractor base to maintain systems such as HVAC quarterly and semi-annually. And we will do small projects for past clients.”

While Shoberg Homes is fortunate to attract top talent at the management and master carpentry levels, Austin’s subcontractor market is thin, and costs are evidence of that, Matt says. An in-house millwork operation started in 2021 helps ease the pressure to source outside partners. The Shop Fine Millwork employs an additional 14 craftsmen, allowing the company to control quality, scheduling, and costs on these homes that are typically fitted with bespoke materials. “Continuing to integrate vertically is an important part of our vision,” Matt says. “We’ll continue to pour effort into the finish work in our homes, adding more artisan trades such as plaster and paint, and potentially solid surfaces like tile, all the things you see and touch.”

The shop is just one way to avoid a pitfall that can catch out less-astute local builders—overpromising and under-delivering. “There are more clients than qualified builders to handle demand,” Matt says. “You can sell into a market void that’s there; the challenge is being able to perform. I’ve avoided that like the plague because it’s the catalyst for failure. The product will not be good enough for a discriminating client, and you’ll get a black eye. Austin is a small, tight-knit community even though it’s big, and is architecturally significant. There’s a lot of conversation. If you trip up on the opportunity that’s out there, you can set yourself up for disaster. We set clear boundaries on what we can do.”

Managing client expectations is another way to mark those boundaries. Even the most affluent clients are surprised at what it costs to build a house, he says. “Many builders underquote, but you always have to answer that question later. The client ends up paying for it, but they’re not happy, or they can’t pay it, so the quality has to dip.”

Shoberg’s cost-plus fee model is meant to create transparency. “Early on we take them through several homes, both finished and under construction. They’ll say they like this or that. Then we have a real conversation about the range of what it might cost to build something similar.” He and Doug prepare a preconstruction cost analysis for the clients, comparing their project with one they’ve built in the past, before delving into line-item pricing.

“Prior to sending it out for bid, we do an internal bccn bgtc into their specific project and share

Photos: Ryan Ford



Completed just last fall, the Ledgeway Residence by McCollum Studio Architects was featured on the prestigious AIA Austin Home Tour.



it with them. That's another gut check on whether the project is in line with their budget expectations." If it's not, but is close, a value engineering session explores ways to shave cost, looking at structure, finishes, materials, and square footage. Robust management technologies are another lever at their disposal. Recently the company upgraded to Procore, a platform that many commercial companies use to increase operational efficiency.

To Market

It is this rigor that keeps architects returning; Matt estimates they've completed about 50 projects with architects in Austin. And while their portfolio overflows with enviable imagery, the focus on performance allows them to market through networking and word of mouth rather than relying heavily on social media and other overt forms of promotion. "We want the story to be told by what we do, not by what we say we do," he says. "The story will tell itself, but you have to be patient."

Their story also resonates with Realtors. Like most builders, they are deeply entwined with the real estate community. Paige, Doug, and marketing director Tina Romero are licensed Realtors with Moreland Properties, in effect extending an open invitation for one-stop services: When a past client wants to sell their house, it's natural to turn to a known entity or to ask for help finding a lot and studying constructability.

Meanwhile, the company's organizational structure provides a firm footing for continued smart growth. "I believe I can see where we'll be in five years, but my team is the real gears getting us there," Matt says. While he plans to limit the number of projects to 10 to maintain the personal touch, he will likely pursue larger projects in the next decade, supported by an evolving finish shop.

"It sounds like a cliché but it's not: We want to be considered the best by setting high expectations and exceeding them," he says, "to be transparent and trustworthy while performing among the best in the country."—Cheryl Weber