

New Construction

Buying new construction is completely different than buying resale. When buying resale you generally have a location in mind with a price range. A Realtor® finds available properties and you go look at them. When you find one that suits your needs, you buy it.

With new construction there are several new challenges. You are limited to the new communities that production builders are developing which might not be in the exact areas you want to live in. Finding a builder you like that has an acceptable product with an affordable price and the proper interior/exterior amenities becomes another achievement.

Today's production builder has models at their developments that you can walk through and see if it suits your needs. Usually they have more options that you can imagine and are sometimes willing to do minor custom modifications at little cost to you.

One of the best things you can do is have your Realtor® present during the whole process. From the first time you meet with a builder until you close the deal, a Realtor® can offer all kinds of assistance and knowledge and it does not cost you a dime. From finding the right builder, the right location, the right lot, the right options to attending all inspections and your closing, the Realtor® represents you and not the builder. This can save you a lot of stress knowing that you have a professional representing you who has done this many times.

Timing is extremely important because builders usually take from 3 to 9 months to build your house and you may have an existing house to sell. Pricing your existing home to sell in a timely manor to coincide with the closing of your new home is something else to consider. Ask your Realtor® how this can happen for you.

Once you have decided on the builder and model of house you want, a contract will be written up. Your next job is to visit the builder's showroom (usually a different location) and pick the options you want in the home. These can include the quality of carpet, the type of kitchen cabinets, upgrades in bathrooms, bay windows, patios, upgrades in lighting fixtures, types of vinyl or wood flooring, fireplaces etc.

All builders have financing programs available. Most will give you incentives for using their financing. Maybe no closing costs, appliances or a better interest rate. If you want to use a different mortgage company, you can.

During the building of the home there will be several inspections at different stages. You and the builder will walk through the house to make sure everything

is to your satisfaction. The builder will be making lists of things that need to be done before the next inspection.

Once the house is completed and before the closing you will have a final walk-through. This is the last minute inspection before you accept possession and get the keys. Usually the builder tries to get everything done before closing but sometimes cannot. They usually will promise to have it done by a certain date after closing.

All builders offer home warranties and some will do ongoing inspections of the home to make sure the new homeowner is happy.

There is another side to new construction without the wait. Most builders pre-build homes not having a buyer from the beginning. These are called Spec or Inventory Homes. The builder feels that they will find a buyer by the time the house is done. Sometimes these houses are put on the local MLS so that Realtors® have access to them and can sell them. If you want a new home but don't want the wait, have a Realtor® show you the Spec and Inventory Homes in your area. Usually closings can take place in 30 days.