

8 Be Sure the Contract Works In Your Favour Tool

When spelling out the particulars of an agreement with your builder, ensure you have some safeguards protecting you, written into it, such as:

-placing your deposit in escrow

(This simply means putting your deposit in the care of a third party and it is not delivered until or put in effect until certain conditions by the builder are fulfilled.)

-detailing your upgrades;

-allowing you access to the construction site to check on progress;

-a 30 - day advance notice of the closing date

-an explanation of what the fine print means in the warranties of the builder and manufacturer.

9 Financing - What's Best For You?

Some builders, especially in high - volume communities that place large numbers of loans, can offer special financing packages. However, because "home loan" lending is highly competitive, you have many financing choices other than those being offered by the builder. Shop around for everything, from rates to points to lender fees, also appraisals, inspections, surveys, attorneys and closing fees.

10 Just Because it's New... -Doesn't mean it's Perfect.

Yes, it's new and typically it's built with modern materials that are durable, low maintenance, stronger, quieter, and safer. But because nothing is perfect, even if it's new, consider hiring a reputable, licensed home inspector. Then create a builder "punchlist", from what you've learned to repair major problems before closing. Ensure too that you put aside money for items to be fixed later.

Almost half of all new home buyers use a real estate agent to help them. Remember, as a buyer, there is no cost to you, and reputable builders are happy to cooperate with your agent.

Immediate Delivery - New Homes

Buyer Advantages Your Builder May Not Reveal!

Here's a fact that you may not be aware of. Some builders offer newly-constructed homes available for immediate delivery. Usually these homes are ready to move into within 30 days. Even if some builders are eager to sell, they'll probably keep that knowledge to themselves.

immediate delivery homes are often available for various reasons:

-the community, where new homes are being constructed is nearly complete, so the builder proceeds to have the on-site-contractors build "spec" homes (*homes built on speculation for sale*) on the last lots:

-the model home is for sale;

-the contract of the home has fallen through;

-builders include constructing homes for immediate delivery for buyers who are relocating or who have sold their previous home and need one to move in to quickly.

Immediate delivery homes may be priced for specific reasons. Instead of dropping the price, sometimes builders offer financing incentives or free options to accommodate recent buyers who will not want the last homes on their street to sell for less than their's .

An immediate delivery home is an advantageous way to purchase a home if you need to move in quickly, or need a physical space to walk through and see before you sign a contract.

For more information about any of our innovative homeowner programs, call

***YOUR HOME TEAM'S
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NEW HOMES: 10 Secrets You Should Know Before You Visit Your First Model Home



courtesy of
PAT & JIM TRISTRAM
Brokers

The Homebuyer's Guide to NEW HOMES

COMPARE THESE POINTS!

NEW HOMES

- offer innovative use of space and style
- greater efficiency
- a choice of options and upgrades
- everything is new, even the neighbours.

VERSUS

EXISTING HOMES

- on the average they are less expensive
- usually they are closer in and enjoy established neighbourhoods

As you can see, there are advantages to both. Most people consider both new and existing homes before they decide to purchase. Should you be thinking about buying a new house, here are 10 points to consider before you visit your first model home.

10 Secrets Every New Home Buyer Should Know

1 Get in Touch With Your Agent .

Before you visit your first model home, sit down with your agent and do your homework. You'll want to be prepared to know:

How much house you can afford?

If you own a home, you'll need to know the net proceeds from its sale in order to determine how

"When shopping for a home, you'll discover that most homes on the market are resales. Yet, one out of four homebuyers purchases a new home. Both new homes and resales offer advantages. Before you make a decision, let's take a look."

selling cost. If you're a first time buyer, you'll need to first qualify your income. Determine the size of your downpayment, then work out a monthly debt load so you too will know how much house you can afford.

2 Sellers' Agents Versus Buyer's Agents.

Here's a good point to remember. The sales agent in the model home represents the builder, not you. They are known as seller's agent. As a buyer you require a buyers' agent. It's his/her business to best represent your needs by being knowledgeable about home construction, warranties, financing, differences in price, quality, even lot selection so that you get the best of your value for your money.

3 A Builder For All Reasons.

Like all tradesmen, builders vary in their fields of expertise. For example, there are builders who specialize in craftsmanship, others who are known for their innovative use of space, and those who offer below-market financing or customer attention during construction and after move-in. Determine your own specific needs or preferences then shop around for a builder that will best address your requirements.

4 Get the Facts About Your Builder

Before making a final decision, be sure you check out the reputation and financial strength of the builder. Get "spec sheets" on home features covering everything from floor plans to energy efficiency, including lot availability to an immediate-delivery home.

5 Check Out the Neighbourhood

- Learn as much as you can about the community.
- Discover what amenities it has to offer.
- Investigate if financial reserves have been set aside to build or replace major amenities like pools or

community roads.

- Find out from local land-use officials what else is planned or could be constructed in the area, especially where vacant land is available.
- Review the rules for the homeowner's association, or find out if one will be set up.
- Think how you will be affected by commuting routes and times.

6 Choosing Options and Upgrades

The more expensive the base price of the house is, the more options and upgrades you can add without fear of overpricing it for the neighbourhood.

Options are items the builder installs while constructing the house. These can include adding usable space like a sunroom, a powder room, full bath or built-in storage and some features that can add most to the resale value of your home.

Upgrading means selecting quality above "builder standard" such as carpeting, floorcoverings, detailing, kitchen fixtures and appliances.

Be sure to take advantage of builders incentives that offer free upgrades or credit off the sale price.

Remember, you can add a deck, finish the basement or landscaping later and sometimes for less money.

7 Negotiations

Often buyers don't realize that there may be room for negotiating price, upgrades or options. For example, you have some scope for negotiating with the builder if s/he has completed a home but hasn't sold it. Also some "premium lots" are priced higher and are sometimes saved to be sold fast. Keep in mind that typically, all lots cost the builder the same, so be sure to enquire about lot pricing. Builders may offer discounts or special financing to help close a sale. This may not be the case if it's a "seller's market".