



# 10 Secrets Every New-Home Buyer Should Know

**A**lthough most homes for sale are resales, more than 15% of home buyers purchase a new home. Which is better? Existing or new? The right answer, of course, is up to you.

Both resales and new homes offer advantages. Existing homes are less expensive on average, generally closer in and enjoy established neighborhoods. New homes offer innovative use of space, modern energy efficiency, and choices of options and upgrades. What's more, everything is new, even the neighbors.

The choice is yours. Most of our clients consider both new and resale homes before they decide. To help understand how new homes differ from resales, here are ten inside pointers you need to know before you visit your first model home.

## 1. First See Your Agent.

Before you set foot in a model, know how much house you can afford. If you own a home, you'll first need to know the net proceeds from its sale to figure out how much cash you'll have available. A sharp-pencil analysis which includes every likely selling cost — not a guesstimate — is critical. If you're a first-time buyer, you'll need to pre-qualify your income to nail down how much home you can afford.

## 2. Put Experience On Your Side.

Remember, the sales agent in a model home represents the builder, not you. If you don't have a professional agent working on your side, you're not represented. We make it our business to understand new home construction, warranties, financing and differences in price, quality, even lot selection to help you get the best value.

## 3. Not All Builders Are Created Equal.

There are builders known for their craftsmanship, others for innovative use of space, below-market financing, or customer attention during construction and after move-in. But not all builders are created equal. As both resale and new homes specialists, we can help you find the best home for you.

## 4. Get The Whole Story.

Check out the reputation and financial strength of the builder. Be sure to get "spec sheets" on the home features covering everything from floor plans to energy efficiency ratings and from immediate-delivery inventory to lot availability.

## 5. Look Under The Hood.

Learn about the community. Discover its amenities. Find out from local land-use officials what else is planned or could be built in the area, especially where there's vacant land.

Read the rules for the homeowner's association (or determine whether one will be set up) and investigate whether it has reserves set aside to build or replace major amenities like pools or community roads. Consider commuting routes and times.

## 6. Choose Your Options Carefully.

The higher the base price of the home, the more upgrades and options you can add without overpricing for the neighborhood. Make the most of builder incentives, typically free upgrades or credit off the sales price. Upgrading means selecting quality above "builder standard" for carpet, floor coverings, detailing, appliances and kitchen fixtures. Options are items the builder installs while constructing the home. Options that add usable space like a sunroom or

electronic/computer room add most to the resale value. A fireplace, downstairs powder room or full bath and built-in storage are generally good values.

Remember, some improvements can be added later, sometimes for less money, like a deck, finished basement or landscaping.

## 7. Negotiate With The Builder.

Many buyers don't realize there may be room for negotiating price, upgrades or options. You have the most possible room if the builder has a completed but unsold home. Unless it's a "seller's market," builders may offer discounts or special financing to help



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