

# New Construction Home Buying Process

## Compliments of The Dede & B.V. Team

### *How does buying a new home work? And do you need an agent?*

When you work directly with the builder's agent you forfeit your right to representation. The site agent works for the builder, so you are flying solo. What could go wrong? From delays and mistakes to unmet expectations and unfinished punch lists, navigating a home build can be tricky without a buyers agent to guide you through the steps outlined here:

**Pre-Approval:** The first step is to get pre-approved with a lender. Most builders have relationships with specific banks and may offer to pay your closing costs if you use their Preferred Lender. This tends to be the best deal for you, but you can still shop around once we've identified your new home.

**Contract Writing:** Once you've selected your house, we meet with the site agent to write the contract, which you'll get a copy of once it's been signed by the builder.

**Changes & Upgrades:** If you are buying a builders spec home, most of the interior details will already be chosen & you may not have an option to change them. If the home is "to be built" you will be able to select all of your finishing touches. You'll have an appointment with the builder's design center to make your selections. There will be standard selections included in the sales price and upgrades available at additional cost.

**House visits:** You will have multiple opportunities to walk through the property with your agent and a builder representative. The final walk-through will be done when the home is complete. We will compose a punch list of what needs to be done before closing

**Inspection:** You have the right to have the home inspected by a a licensed home inspector after completion and before closing. The inspector will thoroughly inspect the property for any deficiencies or needed repairs. This would be at your expense. They typically cost \$500 (depending on size and foundation of home).

**Loan Approval:** Once you decide on your lender, they will pull your credit & start collecting bank statements, pay stubs & tax returns.

**Insurance:** You will shop homeowners insurance rates until you find coverage that suits you. Typically, the company that has your car insurance will be the cheapest way to go.

**Closing:** The builder will set the date of closing based on date of completion. They will most likely have a Preferred Attorney that they recommend we use. The attorney will draw up all of the closing paperwork. We will schedule a closing time that works for you, closings typically take 1 hour.

**Closing Day:** you will schedule the transfer of utilities for the day of closing (electric, water, cable, etc). Then we will all meet at the attorney's office to sign off on the title and loan documents. You will get the keys & move in your new home!

