

# **Buyer Agency & The New Construction Process**

**By Joel Ward**

**I am your Agent:** The most important fact is that I am your agent in all aspects of the new construction transaction. This means that it is my duty to use my knowledge and experience to further your best interests at each point in the process. This includes assisting you in obtaining the most competitive price available from builders for the construction of your new home.

**Preliminary Planning:** This step involves developing a preliminary budget for your new home, as well as determining general specifications such as overall size, number of bedrooms and baths, basement, etc. This step is helpful in providing direction for appropriate site selection as well as selection of appropriate builders.

**Financing:** There are a variety of options in financing new construction, as well as a selection of lenders. It is especially important in new construction to select a lender with new construction experience, and a good reputation for quality service. My role is to provide you with referrals to just such lenders.

**Site Selection:** For those who have not already purchased a site, I can provide assistance in searching for suitable sites which are currently on the market. This search process includes investigating lots offered for sale privately, lots offered for sale by subdivision developers as well as those listed in the Multiple Listing Service. Frequently, some available sites have been purchased by builders and are available to buyers who wish to contract with that builder for the construction of their home. In the event that such sites are owned by suitable builders, I will provide information about these sites as well.

**Design:** While the actual design of your new home is the job of your architect or contractor, I am able to provide consulting services concerning various aspects of design with a view to creating a home which will not only meet your needs, but will be marketable in the future. My perspective and experience as a broker and appraiser makes me well-qualified to provide advice in this area of home design.

**Initial Builder Interviews:** Based upon the type of home you wish to build, I will arrange for you to interview several reputable builders who are active in building homes similar to that which you wish to have constructed. During these interviews, I will assist you in asking relevant and necessary questions, as well as making certain that you have obtained all necessary information from the builders.

**Builder Selection:** After initial interviews have been completed, I will assist you in your selection of the contractor you wish to have build your new home. There are many aspects to this decision: the contractor's financing ability, quality of workmanship, reputation for meeting deadlines, and reputation for being responsive to their customer's needs. Before you make your decision, you may well wish to see one or more homes already completed by that builder. If so, I will be able to arrange these appointments for you and accompany you on these inspections. If you have decided on a specific plan and specifications, and wish to have the project bid by more than one builder, I will assist you in making sure that the process is completed in such a way as to yield good competitive bids.

**Plans, Specifications and Contract:** While plans and specifications are developed initially by your architect and/or your builder, I am available to review them with you to make sure that they adequately describe your proposed new home. It is also important for you to have your contract with your builder for your new home reviewed by an attorney experienced in new construction real estate work. I am able to provide you with referrals to such attorneys.

**The Construction Phase:** During this phase of the process, the builder is in the process of constructing the home, and you are making whatever decisions concerning fixtures, hardware and floor coverings not already made earlier in the process. While these choices are fairly unique to the individual, I am happy to provide whatever advice and opinions you would find helpful. In addition, should problems with your builder arise during the construction phase, I am available to meet with you and your builder to help find constructive solutions.

**Closing:** When your new home is completed, I'll attend the formal closing with you and be available to answer any of your real estate-related questions at that time.

**My Compensation:** While our Buyer Representation Contract makes it your obligation to pay my brokerage fee, this fee is typically included by builders in the cost of your new home. Your contract with your builder will specify that it is paid at closing on your behalf from the builder's proceeds.

**Your Peace of Mind:** The process of building your own home can be difficult and stressful, especially for those who have not done it before. My goal is to employ my knowledge, skills, experience and contacts to make this is an interesting and rewarding experience for you. Hopefully, when the process is completed, you will feel confident that you made good, informed decisions based upon experienced advice.

