

## Topic No. 5: The Steps and Why You Should Follow Them

Topic objective: To provide consumers with a step-by-step guide for when they are considering building a home.

While we must acknowledge that there are many good builders who have established the reputation of treating buyers fairly, we also must realize that there are many builders who are “ethically challenged” and will do anything to make an extra dollar when building a home. For many individuals and couples, building a home can be an emotionally charged experience. As such, it is easy to become careless, lose patience with the process, and make costly mistakes. That is why I strongly suggest following this step-by-step guide and reviewing all of the corresponding topics made available on this Web site.

Each of the following are important steps in the process of building or buying new home construction.

1. Hire an exclusive buyer agent
2. Conduct pre-planning with your exclusive buyer agent
3. Search for house plans
4. Meet with builder and agent
5. Secure costs on all possible upgrades
6. Check references on builder
7. Draft and review every paragraph of the contract
  - Negotiate costs and non-refundable earnest deposit
  - Clarify right to observe construction
  - Secure scheduling for meeting with vendors
8. Secure financing
9. Sign contract
  - Deliver earnest deposit
  - Meet with vendors
10. Observe construction
11. Review title insurance and appraisal
12. Conduct final walk-through
13. Close on home
  - Review contract
  - Review settlement statement

Most importantly, don't wait until it is too late to consult with an exclusive buyer agent. With any build job, there are bound to be stumbling blocks. Be a smart consumer and leverage the benefits of an exclusive buyer agent from the very beginning. As your representative, the agent will do his or her best to address problems before they become bigger problems, and will be there to answer questions and help resolve “unexpected” issues that may surface during the build.