



*Because to Sue and Michele....
Your Money Matters!*

6 Tips to Save You Time and Money From "The Wells-Edelstein Team"

The Homebuyers' Guide to NEW HOMES versus RESALE

"...read This BEFORE You Visit Your First Model Home!"

When shopping for your home, you'll discover that most homes on the market are resales. Yet, one out of four homebuyers purchase a new home. Both new homes and resales offer advantages.

Before you make a decision, let's . . . Compare These Points!

New Homes

- offer innovative use of space and style
- greater energy efficiency
- a choice of options and upgrades
- everything is new and modern

Existing Homes

- on the average they are less expensive
- often they are in established neighborhoods with mature landscaping
- usually have hardscape finished as well as window treatments
- homes have already settled, eliminating possible problems that arise from this happening after the purchase of home

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 or resale, here are 9 points to consider.

1. Determine a Comfortable Price Range

Before you visit your first model home, sit down with your agent and do your homework. You'll want to be prepared so that you can determine a comfortable price range for your new home. If you own a home, you'll first need to

know the net proceeds from its sale in order to determine how much cash you'll have to work with. Don't simply estimate this but carefully calculate every possible selling cost. If you're a first time buyer, you'll need to first qualify your income. Determine the size of your down payment, then work out a monthly debt load so you can determine a comfortable price range. Look at both resale and new homes to educate yourself.

2. Sellers' Agents Versus Buyers' Agents

Here's a good point to remember. The sales agent in the model home represents the builder, not you. They are known as sellers' agents. As a buyer you can work with a buyers' agent at no additional cost. It's his/her business to best represent your needs whether you are buying a resale or new home.

3. A Builder For All Reasons—Choosing Options and Upgrades

Like all tradesmen, builders vary in their fields of expertise. There are builders who specialize in craftsmanship, their innovative use of space, below-market financing or customer attention during construction and after move-in. The less expensive the base price of a new house is, the more options and upgrades you can add without fear of overpricing it for the neighborhood. Options are items the builder installs during construction. What will these cost you versus them already being in a resale home. Upgrading means selecting quality above "builder standard" such as carpeting, ceramics, detailing, kitchen fixtures and appliances.

And...New doesn't mean perfect: 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. Many new home buyers use a real estate agent to help negotiate the best price and terms with the builder just as in a resale.

4. Check Out the Neighborhood for New Homes or Resale

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

5. Negotiations—Does the Contract Work in Your Favor!

Often buyers don't realize that there may be room for negotiating price, upgrades or options in new homes. For example, you have some scope for negotiating with the builder if s/he has a completed a home but hasn't sold it. Builders may offer discounts or special financing to help close a sale in a down market. Compare their prices with those of resale homes.

When spelling out the particulars of an agreement with your builder, insure you protect yourself by having safeguards written into the agreement, such as: placing your deposit in escrow 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. In a resale your agent should explain all of this to you.

6. Financing - What's Best for You?

Builders, especially in high-volume communities that place large numbers of loans, may offer special financing packages. Whether it's a new home or resale, shop around for everything from rates to lender fees and appraisals, inspections, surveys, attorneys and closing fees as they can vary as well.

Buyer Advantages Your Builder May Not Reveal!

Here's a fact that you may not be aware of, some builders have 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 and** may be more desirable because sometimes builders offer financing incentives or free options. However, there are also **vacant** resale homes that you may also get a great deal on and can move into within 30 days. Have your agent show you both. **Remember, be educated in one of the largest investments you will make in your life.**

We hope this information has been helpful to you. **By the way**, if you know of someone who would appreciate our services, please call or e-mail us with their name and number and we will be happy to help them. Or, please feel free to give them our names and phone numbers or e-mail, and they can contact us. .
Serving Moorpark, Thousand Oaks, Simi Valley, Newbury Park, and parts of the San Fernando Valley.

Warmest Regards,

Sue and Michele, Realtors
Troop Real Estate

E-mail: WellsEdelstein@WellsEdelstein.com
Website: WellsEdelstein.com
Sue: 805 390-7179 DRE# 01445374
Michele: 805 796-6618 DRE# 01441796

