

New Construction: “I Wouldn’t Do That Again!”

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As a REALTOR, I couldn’t count the number of times I have heard this from clients and potential homebuyers. My first question is always “Did you use a REALTOR to build your home?” and the answer is always “No”.

When people think about custom building a home, using a REALTOR usually doesn’t come to their minds. The home-building process is a very intensive one and the benefits of using a REALTOR far out-weigh any negatives, if there are any at all.

You should always do some of your own research when choosing a builder, but an experienced REALTOR will know some builders that will suit you best and may know from first-hand experience several builders that are great to work with. An experienced REALTOR can prepare you on what to expect from the beginning of the process. A knowledgeable REALTOR should be able to give you rough estimates of construction costs in a particular area based on what you want, so you will know where to negotiate in your offer.

The offer is the most important part of the process. Detailed paperwork can virtually eliminate any headaches or misunderstandings between the homebuyer and the builder. The paperwork used by a REALTOR is legally binding and protects both parties. A knowledgeable REALTOR can communicate with the builder and understand the home systems he is describing. Your REALTOR should also be able to understand the quality and the allowances for each. Every builder has a style of his own and your REALTOR will be able to describe the common traits each has. Your REALTOR will have also by now showed you examples of the builder’s work that you have chosen to build your home so you will have an idea of what you are buying.

Now that we have a contract, “Lets start building!” There are many items a REALTOR can assist you with during the homebuilding process. Without a REALTOR, a homebuilder usually will send you to places to choose things for yourself with no assistance at all. A REALTOR will assist you choosing things if you request, such as, colors, flooring, plumbing, light fixtures, outlets, etc. A REALTOR will work with the builder to find out when things are scheduled, such as, when the electrician will be wiring so you can choose where every outlet will go. Also, if you are out of town, a REALTOR can act as a liaison, to tell the builder about any choices or changes you may make, as well as check for any possible mistakes.

Another role the REALTOR plays is mediator. Sometimes there are situations that can arise where the buyer and the builder disagree. A REALTOR's role is to help both parties come to a quick resolution where they are both satisfied and the construction process is not held up.

From the homebuilder’s standpoint, a REALTOR can also be a real asset. A REALTOR helps the homebuyer to obtain financing. A REALTOR also breaks down the language barriers so the buyer understands everything that is told. This allows the builder to concentrate on building and leaves everything else for the REALTOR to handle. A REALTOR will also have an idea of what homes appraise for and can keep the home from being over-upgraded and over-appraisal so everyone is protected. Word-of-Mouth is the key to gaining more business in homebuilding. If everyone is happy throughout the process, it virtually guarantees that the builder will have good news spread to other potential homebuyers.

For homebuyers and homebuilders, a REALTOR can be a real asset. As an analogy, a

REALTOR is like the oil in your engine. He makes sure everything goes smoothly throughout the transaction. If everything goes smoothly, homebuilding can be a fun and exciting experience.

Editors Note: Weldon Williford is a Graduate from North Carolina State University with a B.S. in Business Management with a concentration in Finance. He is also the Real Estate Broker/Owner of MyGoldsboroAgent.com and a member of the LOCAL, STATE, AND NATIONAL BOARD OF REALTORS.