



# YOUR GUIDE TO BUILDING A NEW HOME

**Hello, My Name is Jason M. Whitaker.**

Today, I'm going to be walking you through the new construction process. If you want to download this guide to read later, you can grab the PDF [here](#).

## **Step 1: Getting a Financing Game Plan In Place**

The first thing you need to figure out is how you're going to pay for your new home.

If you don't have a home to sell, this is very similar to the normal purchase process. You can typically use Conventional, FHA, and VA home loans to purchase a new home. You just need to get a pre-approval letter from a reputable lender like Matt Davis from Caliber Home Loans.

If you have a home to sell, there are a few options available to you.

The first option is to sell your home and do what's called a "leaseback." This is when the buyer of your home agrees to lease your home back to you for a specified amount of time while you're waiting on your new home to be built.

The second option is what is called a contingency. This is when the builder allows you to build your new home with the written agreement that your home must be able to sell prior to closing on the new construction home.

The third and best option is called a "bridge loan." This is a loan that allows you to borrow from the equity of your existing home to purchase the new home, allowing you to buy your new home, get moved in, then sell your old home without carrying two mortgage payments or living in temporary housing during the transition between homes.

## **Step 2: Pick Your Builder**

Picking your builder really boils down to two main decisions: location and price.

Every builder is different in terms of quality and price. Your pre-approval from your lender will give you an idea of what you can purchase, so you'll want to sit down with your Realtor and review the different builders and what you can afford to spend vs the size range and amenities available from each builder in the location(s) you're looking to build in.

## **Step 3: Sign Contracts and Build Out Your Home**

In this part of the new construction process, you'll sit down with your Realtor and the builder's sales rep to spec out your home and determine what features and upgrades you want to include in your new home.

This is one of the most critical stages of the build process. This is where many permanent options that cannot be changed later are decided on, but it's also the time when you can choose to upgrade some temporary options that can be changed later and may actually be more affordable to change at a later date, such as flooring options or paint selections.

In this stage, you will need to rely heavily on your Realtor's experience in construction and pricing knowledge to know where it makes sense to finance certain upgrades and when it makes sense to upgrade them on your own to stay within your budget.

## **Step 4: The Construction Process**

This is the "hurry up and wait" portion of the new build process. In this stage, the builder is waiting on permits, materials, tradesmen, and weather to finish your home. This is also the stage in which you will be relying on a professional home inspector to periodically inspect the home to ensure the builder is following local codes and best practices when constructing your new home.

You'll want to ask your Realtor for their recommendation for a licensed home inspector who has specialized training in the new build process.

## **Step 5: Final Walkthru and Closing**

Once your new home has been completed, you'll have an opportunity to ask the builder to remedy certain defects in the construction like scratches, dents, or missed paint. You'll also have

a final walkthru with the builder's superintendent to go over the home, it's mechanicals, and features.

A few days later you should find yourself at the closing table signing documents on your new home! Hopefully you've been packing and are ready to start your next chapter in your dream home!

**If you'd like to learn how I can help you build your next home, feel free to contact me today at 317-200-6626.**

All the Best,



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