

The Typical New Home Buying Process

Buying a brand new home is a big decision and an important investment, and there is a lot to think about. You want to buy with confidence, enjoy the experience and know that you have made the best decision for you and your family.

Typically, the process of buying a brand new home takes place over time and in several stages. To begin with, you want to take some time deciding on your priorities—what you want in a home, where you want to live and how much you want to spend—and then explore what's available.

Choosing a quality builder is key to making a wise investment.

Once you have narrowed your choices down to one community, a quality builder and one home, you are ready to work out the details and sign a contract with your builder. Then it's time to step back and let the builder do the work.

Before You Start Looking

Get off to a great start by doing some pre-planning before you go house hunting. Discuss with everyone in your household what they want in a new home and surroundings.

Make lists of important features divided up into:

- Required
- Desired
- Not desired

Community

What is the distance via car or foot to:

- Work
- School
- Child care
- Places of worship
- Hospitals
- Libraries
- Amenities
- Green spaces
- Recreational facilities

Are there parks present/anticipated in the community?

Is there public transit within walking distance?

Your Home

- Style; number of bedrooms; home office; multiroom; other needs
- Home size, typically described in the form of the square footage of the home
- Layout: open or divided spaces; formal or informal; privacy needs; flexibility to change use of space in the future
- Mobility restrictions; health considerations; indoor air quality
- Energy efficiency; is the home ENERGYSTAR Standard?
- Outdoor spaces
- Special features—the things you have always dreamed of having
- Leave some room in your budget for upgrades

Financing Pre-Approval

Confirm in advance:

- The downpayment you have available
- The monthly mortgage payment you are comfortable with
- Other financial obligations and needs

Find Out About Local Home Builders

At this point, find out who the Kingston Home Builders' Association member builders are in your community. Check ads in your newspaper to get a sense of what builders are offering. Talk with family, friends or co-workers who have recently bought a new home. Ask your lender for mortgage pre-approval so you know the price range you should be looking at. Attend a home show to see the latest in features and finishings, and to meet area builders.

Exploring Your Options

Now you are ready to see what's available. As you drive around visiting builders' model homes, sales centres and offices, it's a good idea to take notes. That way, it is much easier to make comparisons later.

The key to successful home hunting is to take your time. Don't rush. Take a thorough look at everything and ask questions—lots of them. The builder or salesperson should be ready and pleased to answer each question. Sales centres will often have a complete information package on the homes, the development and the community, including schools and other facilities. And keep in mind that a builder's model home is usually just one of several designs offered by the company—a starting point.

The Community/Development

- Does the community meet your needs (as determined in your planning)?
- Does the development have a good "feel"? Can you see yourself living there? Ask about landscaping plans and common facilities, if any. Visit a builder's finished development for a better impression.
- What are the long-term plans for the community—e.g. growth, roads, facilities, commercial/industrial expansion?
- Are there any community or development covenants and bylaws that restrict how you can live in your home (e.g. no pets)?

Model Homes and Plans

- Take a close look at the quality of each model home—is construction solid, the finishing well done with attention to details?
- Compare layouts and size (more square footage does not always mean more living space).
- Find out if the features in each model home are standard or upgrades (i.e. extra cost) and ask to see samples of the builder's standard finishing products.
- Note the features of each home that appeal to you (worth considering when you have made a final decision on a model and have some leeway for details).
- Imagine your family's daily routine throughout the seasons.
- Note if the builder is using brand-name products you know and trust.
- Ask about each builder's design flexibility (e.g. moving walls, enlarging windows).

- Ask about optional or upgrade “packages” (e.g. lighting and plumbing fixtures).
- Look at the company's other designs and plans.
- Visit model homes outside your price range for ideas for layout and features (but stay focused on the price range that's most comfortable for you).
- Ask about lot availability for the home model you are interested in—there may be restrictions.

The Builder

You should shop around for your builder as carefully as you do for your home.

- Is the company a member of the KHBA? Membership is an important indication of their professionalism.
- Is the builder registered with Tarion as a new home builder?
- How long has the company been in business, and on average, how many homes do they build annually?
- Where else have they built and/or are they building now? (It's worth a quick tour to see if you like the finished results.)
- Will they give you the names of past customers for references? (Do check with a few to find out if they are satisfied and would recommend the builder.)
- Ask about after-sales service—a professional builder has an established follow-up system.
- Find out, in detail, what the warranty on your home covers.

And You Also Need to Know

- What is the recommended deposit? Can you make a refundable deposit to hold the home/lot for a few days or a week, while you make a final decision?
- Are you expected to make milestone payments throughout construction or pay the full price of the

- home, less deposit, on the day you take possession?
- When can construction begin, and when can you expect to move in?
- Who will your contact person be, before and during construction of your home?
- Would you be able to visit your home during construction?

Once You Have Found Your New Home

When you have found the home you want, and you are confident that you are dealing with a professional builder, you can ask the builder to write up a sales agreement. Make sure you have a lawyer review the contract before you waiver your conditions. From here on, you will be working in close contact with your builder, or builder's representative, to see your home purchase brought to a satisfactory conclusion.

You need to finalize arrangements with your lender, if the contract is conditional upon financing.

As construction progresses, your builder will call you in to choose finishings such as cupboards, floor coverings and tiles (referred to as “colour selections”).

Your builder may ask you to make final decisions on placement of electrical, telephone and cable outlets.

The builder may make arrangements for you to visit your home in progress (for safety and insurance reasons you cannot drop by the construction site unexpectedly).

Just before your home is completed, you will be asked to join the builder on a walk-through of the home to verify that the work has been done according to plan. You will be asked to sign a certificate of completion, noting any last-

minute touch-ups or details yet to be done. This triggers the warranty coverage on your home. Outstanding work will be done before you move in, or soon after.

The builder will provide you with the manufacturers' warranties on components and products used in your home.

On closing day, title to the home is transferred to you from the builder, the outstanding payment balance is transferred from your financial institution to the builder, and you get the keys to your new home. This is done through lawyers who register everything with the appropriate authorities.

Before the end of your first year in the house, the builder will touch up any small imperfections that may have emerged due to the house settling and materials drying out (completely normal in any new home).

BUT you don't have to wait if you have questions, concerns or problems. Professional builders provide effective after-sales service—part of their commitment to customer satisfaction.

[New Home Buying Process c/o Canadian Home Builder's Association](#)