

## Here Are Some Things to Keep in Mind When Buying a New Home vs. Resale

New homes can be quite wonderful. Rita and I are the original owners of the home we live in now, so I speak from experience! As with a new car, all the components in a new home are new and will, generally, require less maintenance.

At the same time, it is important to go into the home purchase with your eyes wide open and realize some of the risks and hidden costs associated with purchasing a new vs. a resale home.

For example, unless you're buying the model home (which I recommend when available), you will have a major expense in landscaping the back yard and sometimes even the front yard. That includes fencing and sprinkler system. We spent about \$40,000 to landscape, irrigate and fence our half-acre lot.

Even model homes won't come with window coverings. We spent about \$12,000 on ours.

If you want upgrades in your new home, you will have to pay for them in advance, and the money will not be refundable if you end up canceling the contract. (Your deposit will also not be refundable in most cases.)

The builder will require you to sign a contract written by the builder's lawyers, not the state mandated contract from the Colorado Real Estate Com-

mission, which is very buyer-friendly. (State law mandates that its contract be used unless the contract is written by a lawyer.) As you can imagine and will discover if you read it, the builder's contract is not at all buyer-friendly — and alterations won't be allowed.

In most jurisdictions, the builder is required to do soil tests and to adapt the foundation to meet the demands of the soil. In some cases this means physically removing

expansive soils and bringing in good soil. (This is how many berms have been given to municipalities like Golden, as developers need some place to take the dirt.) In some cases, the authorities will require the builder to build a structural wood or concrete floor instead of slab on dirt, as in most homes.

Despite these safeguards, keep in mind that most movement takes place in the early years of a new home, and a 10-year-old home likely gives you some peace of mind that this phase is past.

The most important investment you can make in purchasing a new home is to have it inspected. Don't assume that because it is new and because it had to pass inspection by government inspectors that your new home has no problems and no code violations. Any experienced home inspector can regale you with stories of construction flaws he's uncovered!

### Golden Ready to Cave on Beltway?

Golden's mayor made a strategic mistake last winter when he proposed that Golden accept a compromise with the County Commissioners regarding the ill-conceived toll road north of town.

The compromise was that if Golden dropped its opposition to the toll road, it would receive planning money for a grade separated intersection at 19th Street & Hwy 6. The strategic mistake was giving Goldenites a couple months to realize what a bad deal it was.

So now, after "negotiating" for a better deal following the City Council's unanimous rejection of that compromise, Mayor Jacob Smith is

giving the Council just one week to approve a revised deal which ignores virtually all the demands of that Council resolution in February.

I've said it before — to the annoyance of fellow Realtors — and I'll say it again. Building the toll road serves no valid transportation purpose, as numerous CDOT-paid studies have proven. It is solely a means of promoting the kind of over-development that enriches developers and creates the kind of congestion which has spoiled other sectors of the metro area.

Join me at the Council meeting at 7 pm this Thursday and speak out against this corrupt proposal.

#### REAL ESTATE TODAY



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