Things to Consider When Buying a New Home vs. a Resale Home

Although the majority of my business is the sale of existing homes, I have also represented many buyers in purchasing new homes.

There are many reasons to like a brand new home, and I like most of what I've seen when looking at new homes. Rather than repeat the positives, however, I'll use this space to discuss possible negatives you might want to keep in mind.

The first negative is that you will be required to use the builder's own contract instead of the

standard contract approved by the Colorado Real Estate Commission. The law states that one must use the state-approved form — which is geared to protecting the buyer *unless* the contract is prepared by a lawyer. The production builders all have their own lawyers who write contracts which totally favor the builder. And that means that, unless your agent is also a lawyer, you

need to hire a lawyer to interpret the an inspector with you to look at the builder's contract for you. Licensed agents like me are allowed to inter-

REAL ESTATE

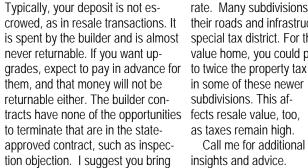
TODAY

By JIM SMITH,

Realtor®

we can't interpret the builder's contract withticing law without a license. I can promise your lawyer tells you, and the builder won't allow any changes. It's their way or the highway, pure and simple.

The hardest pill to contract is how they handle earnest money.



model homes as well as those under construction before signing the pret the state-approved contract, but contract. When your home is being built, do regular inspections yourself and possibly bring your inspector. out being guilty of prac- The builder will fix defects, they just won't let you terminate over them.

Next, you need to know that that you won't like what unless the home you buy is a model home, it won't include backyard landscaping, which can cost tens of thousands of dollars. It also won't include window coverings, which also can cost in the thousands.

If you pay a lot premium, don't swallow in the builder's expect that you'll recover much of that premium upon resale.

> Lastly, look at the property tax rate. Many subdivisions finance their roads and infrastructure via a special tax district. For the same value home, you could pay up

in some of these newer subdivisions. This afas taxes remain high.

Call me for additional insights and advice.

This Week's Featured New Listing:

10-Acre Parcel on North Table Mountain

About one mile north of Golden on Highway 93, there is a long gravel driveway that leads through Jeffco Open Space to a 10-acre parcel wedged between the Table Rock subdivision and North Table Mountain. Zoned A-2. it is a horse prop-



erty with two homes (rented month-to-month), a barn, pastures and numerous outbuildings. I'm told that it cannot be subdivided. The views to the north and west are outstanding. Above you is all of North Table Mountain to explore. More info at www.JeffcoHorseProperties.com. Then call me!



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