

NEW CONSTRUCTION TIPS FOR BUYERS

There are many complicated issues involved today in real estate closings. Here are some important tips and reminders to help you:

Review The Contract

- The contract is prepared by the Builder's attorney. Make sure you are comfortable with the terms.

Consult an attorney if you are not.

When Does The Home Have To Be Complete?

- Many contracts provide that the Builder has two years to complete construction. Builders are also permitted extension due to weather, shortage of supplies and workforce. Be sure you have some flexibility on settlement date.

Is The Purchase Contingent On You Getting A Mortgage?

- If the contract is not contingent upon your ability to get financing, you will be obligated to purchase the property whether you are approved for a mortgage or not.

Substitution Of Materials, Similar Colors And Patterns

- There may be terms in the contract that allow the builder to substitute materials and/or provide materials in the construction of the home that are similar in color and pattern.

The Home Is "Substantially Complete"

- Once the County/Municipality issues a "certificate of occupancy," the home is considered substantially complete. There may still be work to be completed on the property which is addressed by a "punch list" with the builder after settlement, but you will be legally obligated to move forward with the purchase of the home once the certificate is issued.

When buying a house or refinancing a mortgage in Delaware, the law requires that you have a lawyer represent you.

Trust the experience of Ward & Taylor to guide you through this intricate process.