



**SOUTHERNMOST
REAL ESTATE CONFERENCE**



NEW DEVELOPMENT PRINCIPLES



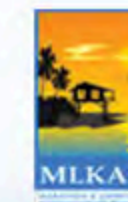


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Why New Development?

- Work with new, exciting and sometimes iconic properties that may change the way a city/community's future
- Access to more inventory outside of resales (a great advantage on seller's markets with more opportunity to be customized.
- Gateway to the luxury market
- Makes you more well-rounded real estate professional



Have the opportunity to be a part of some of the most exciting and opulent projects changing the look of our local market



The Role of the On-Site Agent

A builder's on-site sales agent is an on-site community sales representative for the builder. Their role as an on-site agent is to be an "expert" on the community and the homes they are selling.

Their duties include:

- helping to identify a floor plan and home site that best fits their needs
- assisting with the purchase agreement process
- working with the Field and Construction Manager throughout the construction of the home

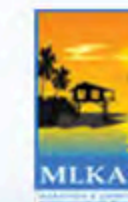
Why Buyers Still Need You to Represent Them

- The on-site agent and sales team represents the builder, not the buyer.
- Buying new construction is very different from buying a resale
- An experienced agent will know what to negotiate (certain things are non-negotiable with builders)
- Resale value -- we know what upgrades to invest in

We ONLY represent the buyer and we are there to advocate for THEIR needs.



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The Purchase Contract

- The contract that is used is completely different from the one used for on resales.
- Typically written by the builder's attorney and has minimal consideration for buyer protection.
- Can be at least 50+ pages long
- It is mainly comprised of things that only protect the builder, not the buyer.
- The closing date is rarely a "definite date" on the purchase contract. ("estimated closing date")

Look out for:

- any potential price increases in the future
- how long construction delays can be without penalty to the builder
- contingencies that are in place to protect the buyer

Condominiums: Differences

- A project may not break ground until a certain % of units are already reserved or under contract (subject to the developer)
- Other projects may get built and completed prior to requiring a certain % of pre-sales.
- Like in typical condominium vs single family products, condominiums include maintenance fees, often calculated by \$/Square Foot and condominium bylaws/rules & regulations.
- Closing costs could include developer fees, utility connection fees and also contributions towards the condominium association.



Tips & Suggestions

Tip #1: Dropbox

Prepare and save a Dropbox Folder for New Development

- One folder for each project
- Include sub folders for each development and include brochures, fact sheets, floor plans, key plans, approved marketing materials, flyers, presentations, etc.
- Do not ignore or remove items in other languages.
- Save these files for future resale use

Tip #2: Working Effectively with On-Site Agents

Having a strong working relationship with your on-site agent is essential to a successful experience in new development.

- Develop and build a relationship with an on-site agent built on trust and clear communication
- Do your homework and have a plan in place for the day of the showing
- Come prepared with your buyer's wants and needs
- Be as clear and as precise as you can when negotiating

Tip #3: Practice Sound Judgment

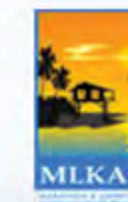
Your attention to detail and close attention to the smallest of nuances are a must when working in new development sales.

- Do your due diligence on the development
- Be prepared to have the buyer hire an attorney for any necessary amendments to the builder's contract
- Be thorough in asking what's included in the price and how the property is to be delivered
- Get any changes or modifications in writing.
- Be as clear and as precise as you can when negotiating.

Tip #4: Presenting New Development

Once again: Your attention to detail and close attention to the smallest of nuances could make a world of a difference.

- Utilize the fact sheets and brochures provided by the developer
- Confirm availability of units and make sure prices are up to date
- Be thorough in asking what's included in the price and how the property is to be delivered
- Be aware of additional costs on each project
- Be knowledgeable of the inventory you're selling



ADDITIONAL QUESTIONS

CONTACT INFORMATION



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